# COLONIAL DEVELOPMENT CORPORATION

## REPORT AND ACCOUNTS FOR 1950

LONDON
HIS MAJESTY'S STATIONERY OFFICE
TWO SHILLINGS NET

161

# COLONIAL DEVELOPMENT CORPORATION

# ANNUAL REPORT AND STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED
31st December 1950

*Presented to Parliament in pursuance of Section 16 (5) of the Overseas Resources Development Act, 1948*

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*Ordered by* The House of Commons *to be Printed*
*18th April 1951*

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# COLONIAL DEVELOPMENT CORPORATION

33 Dover Street,
London, W1.

THE RT. HON. JAMES GRIFFITHS, MP,
*Secretary of State for the Colonies*

The Members of the Colonial Development Corporation have the honour to submit their Report and Statement of Accounts for the year to 31.12.50.

(Sgd.) J. C. W. REITH
R. E. BROOK
C. G. DARWIN
H. M. GIBSON
H. N. HUME
MILVERTON
A. J. MITCHELL
G. TYSER

SINCLAIR HUNTER, *Secretary*
10 April 1951

## Members of the Corporation

Lord REITH (*Chairman*)

R. E. BROOK (*Deputy Chairman*)

Sir CHARLES G. DARWIN, KBE, MC, ScD, FRS

H. M. GIBSON, JP

H. N. HUME, CBE, MC

Lord MILVERTON, GCMG

A. J. MITCHELL, OBE

G. TYSER

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*NOTES*

(1) Lord Trefgarne, the first Chairman, resigned on 31.10.50;

(2) Mr. J. Rosa, OBE, Mr. E. C. Tansley, CMG and Sir Miles Thomas, DFC retired on the expiry of the term of their appointments on 13.2.51;

(3) Mr. G. Tyser was appointed a Member on 14.2.51;

(4) Professor W. A. Lewis, PhD, BCom, was appointed as from 1.5.51.



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# COLONIAL DEVELOPMENT CORPORATION

## ANNUAL REPORT 1950

## I INTRODUCTION AND SUMMARY

**1** The Corporation's financial year is the calendar year; the three months' delay in getting out this Report is unavoidable; final accounts and reports have to come from all over the world. Comments in the Report apply at the date of signing.

### 2 Expansion of business

(1) 22 new schemes were started in 1950; this brought the total to 50, spread over 22 territories, involving capital of £31,354,000, of which £10,175,962 has been spent.

(2) The schemes are listed at the end of this section; reports on them are in section IV. Here is the functional distribution:—

| Division | Number of undertakings | Capital sanctioned* | Per cent of total capital |
|---|---|---|---|
| | | £ | per cent |
| Agriculture ... ... ... ... ... | 15 | 7,895,500 | 25·2 |
| Animal Products ... ... ... ... | 5 | 3,868,000 | 12·3 |
| Factories ... ... ... ... ... | 6 | 3,170,000 | 10·1 |
| Fisheries ... ... ... ... ... | 6 | 1,493,500 | 4·8 |
| Forestry ... ... ... ... ... | 4 | 3,916,000 | 12·5 |
| Hotels ... ... ... ... ... | 3 | 340,000 | 1·1 |
| Minerals ... ... ... ... ... | 4 | 2,971,000 | 9·5 |
| Other ... ... ... ... ... | 7 | 7,700,000 | 24·5 |
| Total ... ... ... ... ... ... | 50 | 31,354,000 | 100·0 |

**Note*—These are the provisional estimates of the capital costs of projects sanctioned by the Secretary of State. Expenditure on each scheme is, of course, under continuous control.

(3) 50 per cent of the capital is for land development schemes—agriculture, forestry, animal products; 64 per cent for primary production—agriculture, animal products, fisheries, forestry, minerals—though this includes some capital for further processing of raw materials as, for example, canning. In 8 undertakings the Corporation is in partnership with governmental or statutory bodies; in 10 with private enterprise.

(4) Business has expanded rapidly—9 schemes started in 1948, 19 in 1949, 22 in 1950—the pace set by urgent needs which the Corporation was set up to meet. To investigate, plan, launch, and manage so many schemes of so many kinds might have strained any organisation, especially one of such recent birth; actual or suspected fractures will be indicated in this Report.

### 3 Organisation

(1) The organisation at headquarters is being clarified and strengthened; responsibilities better defined. An executive management board of chief officers will shortly be in regular operation. All affairs and all staff will

have their focus of decision, responsibility and authority in one or other of its members. Prior examination by this body will ensure that matters for submission to the Board are in proper shape for consideration and decision.

(2) Measures have been taken to improve administrative and financial control throughout the whole organisation. Schemes which show little or no prospect of paying their way are being radically overhauled, as with the Gambia Poultry Farm ; they will be shut down if no sound alternative can be devised.

(3) The continuous review of all the commercial aspects of the Corporation's business is now the responsibility of a special committee of the Board.

(4) Regional controllers, resident abroad, are to be appointed ; devolution on them of authority and responsibility from headquarters will be as considerable and as speedy as individuals and circumstances permit.

(5) Obviously administrative problems must increase as the number and variety of jobs increase. Regional devolution will reduce the burden on the headquarters organisation. A further and welcome stage will be reached when some schemes can be transferred to local ownership as economically and technically sound businesses under competent management. When such transfers take place, there must, of course, be proper safeguarding of colonial interests and an adequate return on the Corporation's investment.

## 4 Local association

It is desirable that colonial peoples should be able to understand, approve of and co-operate in the Corporation's schemes and objectives. All overseas representatives and managers have been told to take appropriate steps to this end. Any established machinery, official or private, for consulting local opinion and needs will be used ; special committees will be set up where necessary ; a member of the headquarters staff has been given responsibility for general co-ordinating advice and supervision. Obviously, the Corporation's own employees should be its best ambassadors.

## 5 Financial results

(1) Advances from the Colonial Office, as shown in the Balance Sheet, increased from £3,135,000 at 31.12.49 to £11,095,000 at 31.12.50 ; total expenditure to 31.12.50 on capital assets—land, buildings, equipment, development and investments—was £9,936,463.

(2) Gross revenue from sale of produce and interest on investments in 1950 was £905,911 ; the loss incurred on undertakings was £211,219 in 1950 against £84,730 in 1949 ; at 31.12.50, 20 undertakings were trading or earning interest compared with 3 at the end of 1949.

(3) After adding head office and regional offices overheads and writing off capital losses amounting to £776,353, including a general provision of £250,000, the total deficiency for the year is £1,320,249.

(4) Provision—deemed adequate—has been made against losses ; the Corporation, of course, is liable to H.M. Government for the repayment of the capital advanced and for interest thereon when due.

*Distribution of undertakings by territory at 31. 12. 50.*

| Territory | Scheme | Capital sanctioned | Total capital for territory |
|---|---|---|---|
| | | £ | £ |
| Bahamas ... | Bahamas Development Undertaking ... | 1,034,000 | 1,034,000 |
| Bechuana-land | Lobatsi Abattoir ... ... ... ... | 910,000 | |
| | Bechuanaland Cattle Ranch ... ... | 1,229,000 | 2,139,000 |
| British Guiana | British Guiana Consolidated Goldfields Ltd | 762,000 | |
| | British Guiana Timbers Ltd ... ... | 1,713,000 | 2,475,000 |
| British Honduras | Barton Ramie Estate... ... ... ... | 347,000 | |
| | Belize Hotel ... ... ... ... ... | 90,000 | |
| | British Honduras Fruit Company Ltd ... | 166,000 | |
| | British Honduras Stock Farms ... ... | 577,000 | 1,180,000 |
| Dominica ... | Dominica Grouped Undertaking ... ... | 227,000 | 227,000 |
| Falkland Islands | Falkland Islands Freezer ... ... ... | 242,000 | |
| | South Atlantic Sealing Company Ltd ... | 161,500 | 403,500 |
| The Gambia | Atlantic Fisheries ... ... ... ... | 505,000 | |
| | Gambia Poultry Farm ... ... ... | 910,000 | |
| | Gambia River Farms ... ... ... | 10,000 | |
| | Gambia Rice Farm ... ... ... ... | 1,115,000 | 2,540,000 |
| Jamaica and Dependencies | Jamaica Cooling Store ... ... ... | 138,000 | |
| | Grand Cayman Cannery ... ... ... | 50,000 | |
| | Turks and Caicos Salt Industry ... ... | 217,000 | 405,000 |
| Kenya ... | East Africa Industries Ltd ... ... ... | 500,000 | |
| | Macalder-Nyanza Mines Ltd ... ... | 1,700,000 | 2,200,000 |
| Malaya and Singapore | Federal and Colonial Building Society Ltd | 1,375,000 | |
| | Housing and Factory Development ... | 175,000 | |
| | Kulai Oil Palm Estate ... ... ... | 158,000 | |
| | Malayan Cocoa Ltd ... ... ... ... | 33,500 | |
| | Central Electricity Board Loan ... ... | 3,750,000 | 5,491,500 |
| Nigeria ... | Lagos Executive Development Board Loan | 1,250,000 | |
| | Niger Agricultural Project Ltd ... ... | 250,000 | |
| | Nigerian Fibre Industries ... .... ... | 990,000 | |
| | Omo Sawmills of Nigeria Ltd ... ... | 126,000 | |
| | West African Fisheries and Cold Store ... | 337,000 | 2,953,000 |
| North Borneo | Borneo Abaca Ltd ... ... ... ... | 233,000 | |
| | Marudu Rice Farm ... ... ... ... | 20,000 | 253,000 |
| Northern Rhodesia | Chilanga Cement Ltd ... ... ... | 1,275,000 | 1,275,000 |
| Nyasaland | Kasungu Tobacco Estates ... ... ... | 173,000 | |
| | Nyasaland Fisheries Ltd ... ... ... | 10,000 | |
| | Vipya Tung Estates ... ... ... ... | 1,410,000 | |
| | Limpasa Dambo Farm ... ... ... | 149,000 | 1,742,000 |
| St. Lucia ... | Castries Reconstruction Agency ... ... | — | — |
| Seychelles | Seychelles Fisheries ... ... ... ... | 350,000 | 350,000 |
| Swaziland | Swaziland Irrigation Scheme ... ... | 2,580,000 | |
| | Usutu Forests... ... ... ... ... | 1,427,000 | 4,007,000 |
| Tanganyika | Tanganyika Coalfields Investigation ... | 409,000 | |
| | Kiabakari and Kitario Investigation ... | 100,000 | |
| | Tanganyika Roadways Ltd ... ... ... | 150,000 | |
| | Tanganyika Wattle Estates ... ... ... | 650,000 | 1,309,000 |
| Tristan da Cunha | Tristan da Cunha Development Co Ltd ... | 130,000 | 130,000 |
| Uganda ... | Lake Victoria Hotel Ltd ... ... ... | 120,000 | 120,000 |
| Services ... | CDC (Engineering) Ltd ... ... ... | 1,000,000 | |
| | CDC Shops Organisation, incl Vipya Trading Co | 130,000 | 1,130,000 |
| | Total ... ... | £31,354,000 | £31,354,000 |
| | *Add:* | | |
| | Capital approved for Eynsham Depot ... | 300,000 | |
| | Capital approved for projects not yet proceeded with:— | | |
| | Jamaica Mixed Farm ... ... | 160,000 | |
| | British Honduras Cocoa and Banana Undertaking. | 227,000 | |
| | Total ... ... | £32,041,000 | |

## II BACKGROUND OF OPERATIONS

### 6 Increased costs

(1) As a result of the Korean war, rearmament and stock-piling, the prices of many colonial products rose steeply ; so did the capital costs of development. Of Corporation schemes, the few already in production have benefited ; the immediate prospects of some others have improved ; the majority have suffered from rising costs and delayed deliveries.

(2) Capital budgets have had to be reviewed ; many have been found inadequate. Heavier capital costs increase depreciation and amortisation charges ; that means heavier production costs and smaller profit margins.

(3) But higher costs of plant and equipment and the expense of delays caused by late deliveries do not explain all the upward revisions of estimates which have had to be made. Plans have been proved defective owing to inadequate local knowledge in their drawing ; there has not always been the requisite calibre and experience of managerial staff. There have been natural disasters on an extreme and unpredictable scale—flood, drought, disease.

### 7 Pilot schemes

(1) All this has emphasised the necessity whenever possible of experimental or pilot schemes—to produce the scientific and technical data required, and to train the supervisory staff—before large-scale operation is launched.

(2) In agriculture, experiment must first determine what crops are best suited to soil and climate ; then seed and planting material must be selected and bred—processes which take up to 3 years for annual crops, much longer for tree crops. Similarly, extensive and careful investigation must precede exploitation of mineral wealth and the establishment of fisheries. Even in manufacturing and processing it is often wise to start with the smallest economic unit.

(3) Experiments are, of course, expensive ; few new enterprises can write off the costs. Where the Corporation has tried to avoid the expense and delay of adequate experiments and trials, as in the Gambia, the consequences have certainly been unfortunate.

(4) Most of the schemes are in fact experimental. But there are a few undertakings where the experimental work had been done already by others so that development could immediately proceed ; Seychelles Fisheries, Tristan da Cunha Development and the forestry schemes are examples.

### 8 Incentives to investment

(1) Nearly all new enterprises in the colonies, including the Corporation's schemes, are heavily capitalised compared with those of earlier establishment ; and many of them cannot become productive for years. The risks are obvious ; the reluctance of private enterprise understandable.

(2) Most colonial governments realise that something has to be done to encourage investment ; the problem takes different forms in different colonies ; the measures in mind are various.

(3) Pioneer industries laws and the like in several West Indian colonies relieve approved new industries from income tax and custom duties ; other colonies are considering similar legislation.

(4) Some governments have taken powers to protect by tariffs or exclusive rights new industries which cannot, initially anyhow, stand up to unrestricted competition. Some also have set up export controls so as to retain supplies for industries processing indigenous products for export.

(5) A start has been made, but the inducements and protections offered are not yet sufficient to offset the heavier capital costs of new industries, especially those with long development periods. This applies to all investors; the Corporation is in no privileged position.

## III PLANNING REPORT

### 9 General

(1) When the Corporation was set up priority was given to the more urgent development and reconstruction needs of some colonies. There was no ready-made overall plan nor even separate regional plans; a start had to be made and there were useful jobs to be done. The experience and knowledge gained in operating the first group of schemes should form the basis for co-ordinated planning on a territorial or regional basis.

(2) The Corporation's potential influence in the colonies is apt to be exaggerated. In relation to population and to the new investment needed to achieve any considerable improvement in living standards, £100 million is a small sum; the effects of its deployment will not be very obvious.

(3) This was always realised; nobody thought that £100 million could do all that was required. Corporation investments should be so laid out as to attract other capital, and to stimulate capital accumulation within the colonies. They cannot be lifted out of the speculative sphere; the Corporation was formed to undertake work which others were not prepared to do and so pave the way for further development.

(4) The Corporation's usefulness will be much increased if its own plans form part of comprehensive colony or regional plans for development. In Dominica, Malaya, Nigeria and Northern Rhodesia schemes do, in fact, form part of colonial 10-year development plans; it is hoped there will soon be more. The Corporation should be able to play a part in the Colombo Plan in the Far East, both as beneficiary of government investment and as pioneer of commercial investment which should follow.

### 10 Schemes in hand

(1) Among the schemes now in hand there are a few which, though useful in themselves, are *culs de sac* in that they cannot promote further development: the Falkland Islands Freezer and the Cayman Island Cannery are examples. The rest are pioneer schemes which, if successful, can be expanded or copied elsewhere: the Niger Agricultural Project, Nigerian Fibre Industries and the agricultural experimental schemes are good examples.

(2) The Nigerian Fibre Industries is a pioneer scheme in more than one sense. Part of its capital is to be subscribed by the Nigerian Cocoa and Cotton Marketing Boards. The Corporation would like there to be more joint investments of local capital with its own for the benefit of the colony.

(3) Another welcome development is the decision that Colonial Development and Welfare Funds may be used in North Borneo to carry part of the cost of the experiment with rice cultivation. The burden of expenditure on experiments—often abortive—has already been mentioned. Arrangements for part of the cost to be carried by CD & W or other special funds would make possible schemes in areas where anything like commercial development is at present impossible.

(4) The difficulty of recruiting enough men of requisite calibre and experience for work overseas (also mentioned) has meant that too much headquarters' time has gone on field management problems; investigations of new projects, particularly in agriculture, and the planning of development have suffered. There are, however, several new jobs for 1951.

## 11 Agriculture

(1) The possibilities for extension of rice production in British Guiana and of sugar production in British Honduras, as recommended by the Evans Settlement Commission, were discussed with the Colonial Office and the respective Governments. The Corporation has sent a mission to British Guiana to study proposals for increasing rice production and for rationalizing the milling industry in partnership with the Government. The production of sugar in British Honduras is considered to be commercially unattractive.

(2) Cultivation of cocoa in British Honduras (mentioned last year under British Honduras Cocoa and Banana Undertaking) has not yet started owing to difficulties in securing land. A suitable site has now been found and work is likely to begin soon.

## 12 Animal Products

(1) A plan has recently (February 1951) been approved for starting a pilot cattle ranching scheme in the Keningau plain, North Borneo. This will test the possibilities of a hitherto undeveloped area.

(2) Plans made for the construction of a mutton freezing plant in Somaliland had to be abandoned because of risk of rinderpest transmission ; other possibilities of utilising this potential meat supply are being explored ; also markets for camel hides.

(3) The possibilities of pig production in Cyprus for the United Kingdom market were examined ; also several schemes for the expansion of livestock development in Africa, particularly in Tanganyika.

## 13 Factories

(1) Many secondary industries projects have been examined ; in this sphere, particularly, legislative measures for encouragement and protection are important. Nearly all new factories must establish their products in competition with imports, or secure supplies in competition with overseas buyers.

(2) Plans for cement manufacture in Trinidad have been worked out with experienced advice from prospective partners ; a site selected ; various measures necessary for establishing the industry are now being discussed with the Government.

(3) Projects for textile manufacture have been held up because of doubts about increasing Japanese competition; import duties are usually *ad valorem* and do not give adequate protection to local products.

(4) A plan to erect and operate a rubber factory in Johore, Malaya, to process smallholders' rubber was mentioned in last year's Report. Various difficulties, still unresolved, have delayed its start. It is hoped that it may in the end proceed because, if successful, it could lead to similar developments elsewhere for the benefit of smallholder production.

(5) Several other projects for processing indigenous raw materials for local use or for export have been examined. Factories and Forestry divisions are reviewing the possibilities of using sugar cane bagasse for the manufacture of paper, and several colonial timbers, including over-mature rubber, for the manufacture of fibreboard. In Africa possibilities for oil-seed processing and oil refining are being studied.

## 14 Fisheries

(1) Plans for fish farms in Africa are making progress. Methods of distributing fish, dried, frozen or canned, in inland areas are also being investigated.

(2) The fish resources of tropical sea areas are not so extensive as those of the more familiar temperate areas; development of ocean fisheries is likely to be by way of expansion of successful undertakings rather than by starting new ones.

**15 Forestry**

Possibilities of extending wattle cultivation to Nyasaland are being investigated; it looks as if the high plateau in the northern province may be suitable for large-scale afforestation with wattle or softwoods.

**16 Hotels**

There is agreement with the Northern Rhodesian Government for an hotel at Livingstone and with the Tanganyika Government for one at Dar-es-Salaam; in both, Government and Corporation are to be operating in partnership.

**17 Minerals**

31 prospects were examined in 1950; of these, two—copper in Kenya and gold in Tanganyika—were accepted for full-scale exploration. Four others may be developed, including a tin lode and barytes deposits in East Africa.

## IV REPORTS OF UNDERTAKINGS

**18** This section describes each of the 50 undertakings in the order on page 3, the amount and the year of capital commitment being given. (Those marked 1950 are therefore mentioned for the first time.) Balance Sheet and Profit and Loss Account figures are given for each job individually in Statements 3 and 5 on pages 50 and 62.

### BAHAMAS

**19 Bahamas Development Undertaking** £1,034,000: 1950

(1) (i) In 1950 the Corporation purchased an estate, 8,800 acres, on Eleuthera Island, Bahamas;

(ii) it includes a farm, 11 houses, a country club, offices, a cannery, workshops, a power house, stores and an air-strip;

(iii) the Corporation also leased 2,300 acres of fresh water swamp on Andros Island; a lease on a third island, Great Abaco, was considered.

(2) The purchase was part of a plan to develop agricultural production in the Bahamas, to increase local food supplies and so reduce dependence on hard currency imports; if possible to increase exports and so reduce the Colony's adverse balance of trade.

(3) Agricultural plans are thus:—

(i) the working of the existing farm on Eleuthera mainly to produce food for local consumption;

(ii) development of the Andros swamp for vegetables and fruit crops;

(iii) the possibility later of agricultural and pastoral development on Great Abaco—as to which no commitment has yet been made.

(4) (i) Part of the Eleuthera estate is suitable for residential and tourist development; plans are presently being considered;

(ii) ancillary businesses taken over include the residential club, cannery, electricity and water supplies and grocery store.

(5) (i) Total expenditure was £570,464 at 31.12.50;

(ii) land, buildings and roads cost £360,158 ; plant, equipment and other fixed assets, £121,565 ;

(iii) development expenditure, £12,948, represented the cost of initial investigation and general expenses ;

(iv) trading operations on Eleuthera showed a loss of £30,847 for the period to 31.12.50, £19,129 of this was administration expenses.

(6) (i) The agricultural scheme on Andros may be sound and if so would have a marked effect on the Colony's economy ;

(ii) the value of the Eleuthera estate as an agricultural proposition in itself and its possibilities for residential and tourist development have yet to be proved ; operating results to 31.12.50 were disappointing.

## BECHUANALAND

**20 Lobatsi Abattoir** £910,000 : 1950

(1) (i) A creamery, originally designed as an abattoir, was purchased at Lobatsi in Southern Bechuanaland ;

(ii) it is being reconverted to the original purpose and expanded to slaughter the entire output of both African and European cattle owners in the southern, western and eastern parts of the territory ;

(iii) cold storage will be provided.

(2) (i) Cattle are now exported on the hoof, and there are troubles due both to changing demand and to periodic outbreaks of disease ;

(ii) the new abattoir will give security to the cattle raising industry by providing an assured market ; centralised slaughtering will ensure maximum use of by-products.

(3) (i) A 600,000 acre holding ranch on the Molopole Crown lands is being leased ; it will serve the dual purpose of regulating abattoir supplies and enabling immature or impoverished animals to be fattened prior to slaughter ;

(ii) it is being equipped with fences, boreholes, and dip tanks, so that cattle may be purchased ahead of the opening of the abattoir—which should be ready for operation in the latter half of 1952 ;

(iii) initial throughput should be 55,000 head of cattle per annum ; the design allows for expansion ; other types of livestock may also be slaughtered.

(4) The Corporation had spent £49,234 at 31.12.50, £35,175 on purchase of the creamery, building, plant and other fixed assets at cost.

(5) This scheme looks good.

**21 Bechuanaland Cattle Ranch** £1,229,000 : 1950

(1) 16,000 square miles of the Chobe Crown lands in Northern Bechuanaland have been leased for large-scale cattle raising.

(2) (i) The Chobe area is almost barren ; its stock-carrying capacity is estimated at one animal per 20 acres ;

(ii) test boreholes indicate that there is water enough not far down ; with controlled grazing, fencing and water development the capacity can be increased.

(3) (i) Beginning at Matetsi on the Southern Rhodesian border, the area will be progressively developed in sections over 18 years ;

(ii) if the full 18-year programme can be achieved the ranch could carry a total of about 350,000 head ; or one-fifth this number if expansion stops at the fifth year ;

(iii) the capital approved covers the first 5 only.

(4) In the first 5 years there will be agrarian development on 300,000 acres in the Matetsi area ; fodder crops grown in rotation to provide a fodder bank against drought ; food crops for employees ; any surpluses will be offered to the Bechuanaland authorities.

(5) (i) The Corporation had spent £57,765 at 31.12.50 ;

(ii) of the total development expenditure of £36,474, £18,153 represents initial survey costs incurred in mounting the scheme ;

(iii) £34,855 has so far been spent on fixed assets, £8,635 for the provision of boreholes, wells and fences.

(6) This scheme also looks good ; the Southern Rhodesian Government are co-operating ; they have leased a corridor of 100,000 acres to join the ranch in Bechuanaland with railhead at Matetsi in Southern Rhodesia.

## BRITISH GUIANA

**22 British Guiana Consolidated Goldfields Ltd** £200,000: 1948
£562,000: 1951

(Incorporated in England 5.6.35)

(1) (i) This Company has been in existence since 1935, and dredging gold since 1937 ;

(ii) In 1948 the Corporation agreed to advance £205,371 (secured by convertible debenture) to get a new dredge working in a new area (Lower Potaro).

(2) (i) The new dredge starts work in April 1951—four months late owing to delay in delivery of the power plant ;

(ii) the cost of this plant was underestimated by the Company ;

(iii) the need to provide a new main camp was overlooked and no provision made for its cost.

(3) (i) Originally the Company had expected that its old dredge would exhaust the old deposits (Mahdia) by the end of 1950 ; it was then to be moved to new deposits (Konawaruk) ; the cost of moving was to be met by the Company ;

(ii) that idea had to be abandoned ; the Konawaruk area needs much deeper dredging and, as it is low grade, a dredge of much greater capacity is required ; the old dredge would never do the job ;

(iii) in addition to a new dredge, operations in this area will require more power plant, transmission lines, roads and a camp ;

(iv) other areas must also be prospected.

(4) (i) To finance the completion of the scheme, mentioned in (2) above (Lower Potaro) with a new main camp (Tumatumari), development mentioned in (3) (Konawaruk), and the prospecting, the Corporation agreed in January 1951 :—

| | |
|---|---|
| (*a*) to subscribe at par for half the Company's unissued ordinary capital ... ... ... ... ... ... ... | £44,629 |
| (*b*) to take up any of the other half not subscribed for by existing shareholders, maximum ... ... ... ... | £44,629 |
| (*c*) to a further 6 per cent debenture, maximum ... ... | £472,742 |
| | £562,000 |

(ii) voting rights have been given to the Corporation for the first debenture, and these with the ordinary shares held give voting control ; the Corporation now has a majority on the board of the Company ;

(iii) a member of the Corporation's staff, an experienced mining engineer, became general manager in July 1950 and joined the board in February 1951.

(5) (i) Investigations have now shown additional deposits in the original area (Mahdia), and so the old dredge has at least another year's work there ;

(ii) more prospecting may show still more work ;

(iii) and in still another area (Upper Potaro) prospecting will show what deposits there are and whether they could be worked by the original dredge in due course, or whether a further new one would be justified.

(6) (i) At 31.12.50 the Company's authorised share capital was £499,999, of this £205,371 in " A " ordinary 2/- shares was issued and fully paid ; the Corporation held £250 in shares in addition to the convertible debenture of £205,372 ;

(ii) operations (Mahdia) in the Company's financial year ending 31.7.50 produced 6,105 fine ounces of gold and a profit before tax of £9,395 ;

(iii) interest on the debenture received during 1950 was £5,409 ; dividend on ordinary shares, directors' and consultancy fees £590.

(7) Although there has been miscalculation and lack of foresight on this job, things have now been pulled together satisfactorily ; prospects are definitely good.

**23 British Guiana Timbers Ltd.** £170,000: 1948
£1,543,000: 1949

(Incorporated in British Guiana 2.1.51)

(1) (i) In 1948 the Corporation leased 93,000 acres of forest at Manaka and purchased existing assets from the Greenheart Lumber Co Ltd ;

(ii) early in 1949 it purchased the Booker Timber Co Ltd's properties, including 2 sawmills ;

(iii) a permit was obtained in 1950 to work about 320,000 acres of forest in the Bartica Triangle, and a long lease has since been negotiated ;

(iv) the purpose is the co-ordinated exploitation of British Guiana timber resources by modern extraction methods ; the erection of a large sawmill ; the development of markets for unfamiliar species as well as accepted timbers.

(2) (i) British Guiana Timbers Ltd was incorporated on 2.1.51 in association with Steel Bros and Co Ltd (the managing agents), and Booker Bros McConnell and Co Ltd to take over from the Corporation ;

(ii) the Corporation will receive shares in the new Company to the full extent of its expenditure, including pre-incorporation losses.

(3) (i) In 1950 the construction programme at Manaka—started before the Corporation took over—was completed so that production in 1951 could be expanded as required ; roads were driven in to the concession ; a " skyline " (first in Colony) installed to load timber into barges for carriage to sawmills ;

(ii) staff are being trained to use the new large-scale extraction equipment preparatory to the concentration of operations in the Bartica Triangle ;

(iii) forest enumerations have now shown that Bartica carries a stand of timber at least double that of Manaka, which means that twice as much timber can be extracted for the same mileage of road ;

(iv) in view of this, it is likely that the new Company will consider withdrawing from Manaka within the next few years; when this is decided, provision will be made to amortize over a period such assets as cannot be transferred to the Bartica Triangle including the cost of the concession, for which it is considered too much was paid;

(v) any possible depreciation in the value of the shares in the new Company is covered by the general provision in the Corporation's accounts for such eventualities.

(4) In the old Booker concessions log stocks have been cleared.

(5) (i) Work in the Bartica Triangle began with the opening of a quarry and the construction of roads;

(ii) 7,331 acres of forest were surveyed and enumerated; the first detailed map produced;

(iii) main office, store, dispensary, shop and clerks' quarters were completed; other buildings in hand.

(6) (i) a new saw-mill is being built at Georgetown; it should begin operating in 1953—later than was hoped because of delayed delivery of equipment;

(ii) the ultimate planned capacity is 35,000 to 40,000 round log tons per annum, producing 12 to 15 million board feet of lumber; but it is proposed to build the mill in two stages while markets are being developed;

(iii) timber from the Bartica Triangle will get to the mill by barge.

(7) (i) 10,631 tons of logs and lumber were sold in 1950; 19 per cent to North America, 47 per cent. within the Colony;

(ii) there will not be much increase in turnover till the new mill is operating in 1953; nor an overall profit till it is in full production;

(iii) investigation of new markets and of the utilization of species other than greenheart has continued.

(8) (i) at 31.12.50 the Corporation had spent £721,164; £495,413 on fixed assets, of which £81,996 was on leases and timber concessions, and £255,439 on plant, machinery and equipment;

(ii) development expenditure was £111,631, £67,435 during the year;

(iii) the loss in 1950 was £52,090, a good deal of it due to the staff during the development period being disproportionately large for the scale of extraction;

(iv) sales of timber and lumber brought in £203,379, against operating costs of £220,553; stocks increased from £61,540 to £78,328.

(9) Costs, especially labour costs, are causing concern; but demand for export quality timber is expanding; provided markets can be found for the corresponding production of other grades and the less well-known species, the job should be a commercial success; its importance to the development of the Colony is unquestioned.

## BRITISH HONDURAS

**24 Barton Ramie Estate** £347,000 : 1950

(1) The intention to experiment with ramie growing was announced last year.

(2) 2,000 acres in the El Cayo district were purchased; 1,500 are to be cleared and planted over three years.

(3) (i) Processing will be carried to the stage of dry decorticated ribbons, the product known as China grass;

(ii) about 40 tons should be produced in 1952, rising to 800 in 1956.

(4) Later on, if a suitable de-gumming process can be acquired, processing may be carried further ; the product sold as prepared filasse ; this would need more money.

(5) (i) Land clearance was held up owing to late delivery of equipment and heavy rains ;

(ii) 50 acres had been cleared by the end of 1950 compared with 300 planned ;

(iii) 25 acres have been planted as a nursery.

(6) Equipment is now on the job and 1,000 acres are expected to be cleared and 200 planted by the end of 1951.

(7) The Corporation had spent £48,348 at 31.12.50 ; £33,987 on land, buildings, plant and other fixed assets.

(8) This is a hopeful experiment.

**25 Belize Hotel** £90,000 : 1950

(1) The Corporation, urged by the British Honduras Government, is building an hotel at Belize, the capital of the Colony.

(2) The site is Crown land held on a 99-year lease ; construction began in March 1950 ; the hotel should be opened in January 1952.

(3) There will be 24 double bedrooms to start with, and appropriate public rooms ; the design permits of expansion to 48 bedrooms.

(4) The Corporation had spent £19,706 at 31.12.50.

(5) Construction costs will exceed estimates which proved inaccurate owing to lack of local data, foundation difficulties in the site and rising costs of labour and materials since devaluation.

(6) The hotel will probably not be self-supporting till its size is doubled, but it is expected that demand will justify this in a few years.

**26 British Honduras Fruit Company Ltd** £166,000 : 1949

(Incorporated in British Honduras 29.6.50)

(1) (i) In 1949 the Corporation agreed to form a company with British Honduras Enterprises Ltd to cultivate bananas ;

(ii) the Corporation was to invest £166,000.

(2) Only 3,000 of the Company's 5,500 acre property in the Stann Creek district were found to be suitable for bananas ; as 4,000 acres is the minimum economic unit more land has to be found.

(3) Recently it was decided that the Corporation should acquire its partners' interest in the Company with a view to resale to other partners with expert knowledge of the banana business.

(4) (i) A completely new plan has to be drawn up, defining the precise area to be cultivated with bananas and other crops ; the full capitalisation required ; shares to be subscribed by the Corporation and new partners ;

(ii) the plans will include adequate arrangements for shipping and marketing.

(5) (i) Physical progress to date has been satisfactory, though land clearance has proved more difficult and more expensive than anticipated ;

(ii) 753 acres were planted in 1950, against 800 planned ;

(iii) greater progress could have been made but for excessive rainfall, lack of spare parts and an untrained labour force;

(iv) production has now started.

(6) (i) The Company's authorised capital is 400,000 $1 shares, all issued and paid; the Corporation's holding is 204,000 shares;

(ii) at 31.12.50 the Company had spent £172,415; £87,816 on land, buildings and other fixed assets;

(iii) development expenditure of £39,060 included £20,304 on land clearance and £1,342 on growing tree crops; the balance was administration expenditure;

(iv) cultivation costs were £22,984.

(7) The start was unsatisfactory; with new partners and provided that satisfactory shipping and marketing arrangements can be made, prospects should improve.

**27 British Honduras Stock Farms** £577,000: 1950

(1) (i) This is a plan for farms for cattle (for beef and dairy products), sheep (for wool and mutton), pigs, poultry, vegetables;

(ii) about 70,000 acres in the El Cayo district are being leased and grazing rights in other areas obtained.

(2) (i) Full development will take 12 years; there should then be a substantial effect on local food supplies, which are now almost all imported;

(ii) in addition, wool and some other products should be available for export.

(3) A manager is on the site and land negotiations are proceeding.

(4) The Corporation had spent £3,258 at 31.12.50 on the investigations necessary to mount the scheme.

(5) The early stages will be experimental and will show whether full development is justified. If it is, the scheme should be of great benefit to the Colony.

## DOMINICA

**28 Dominica Grouped Undertaking** £227,000: 1949

(1) As previously reported this includes:

(i) citrus and coconut plantations;

(ii) citrus grading and packing station with capacity to handle entire exportable surplus of the island;

(iii) hydro-electric scheme associated with a cold store and ice-making plant.

(2) For citrus production two estates were purchased:

(i) Castle Bruce where it was thought that 400 acres would be suitable for citrus; it has now been found that not more than 200 acres are in fact suitable, though another 67 acres may be used for coconuts; clearing of these acreages is proceeding; a citrus nursery has been established; seedlings are doing well;

(ii) Melville Hall, 900 acres, of which 720 acres will be cultivated; 380 under citrus, 340 under coconuts; initially, bananas will be grown on 300 acres as a quick revenue producing crop; preparation of land is well advanced and a citrus nursery has been established here also; roads and buildings are under construction.

(3) (i) A citrus grading and packing station was ready for operation with a temporary thermal power supply in March 1951 ; it will work for local growers in the next fruit season ;

(ii) it was thought at first that the station could work as a service to local growers ; it is now clear that the Corporation must be prepared to buy and market the fruit if the station is to be used to capacity ;

(iii) the local management had failed to realise this, and no steps were taken until recently to co-operate with business and planting interests in the island ;

(iv) citrus has to be treated prior to grading and packing ; additional plant is needed for this.

(4) (i) The hydro-electric plant is being built and should be operating by the end of 1951 ;

(ii) the cold storage building with its associated ice-making plant should be operating by the middle of 1951, powered by a temporary thermal generating plant pending completion of hydro-electric plant ;

(iii) to take care of all needs, plans of the cold store were revised to provide larger capacity.

(5) (i) The Corporation had spent £144,242 at 31.12.50 ; of this £92,896 was used for land purchases, buildings, plant and other fixed assets ;

(ii) development expenditure was £30,209, and a further £8,766 went on cultivation ;

(iii) Melville Hall estate—not yet in full production—showed a trading loss of £2,071.

(6) (i) Original estimates were incomplete ; new ones are now being considered ;

(ii) management has been unsatisfactory ; the whole project is being reorganised under new management ; its value to the economy of the island is undoubted, but it is unlikely to show a profit.

## FALKLAND ISLANDS

**29 Falkland Islands Freezer** £242,000 : 1949

(1) At present little use is made of the carcases of sheep and cattle reared in the Falkland Islands. The Corporation, invited by the Government, undertook to erect and operate an abattoir and freezer for all the meat produced.

(2) The freezer should have been finished early in 1951 but progress was delayed by :—

(i) shortage of local labour necessitating additional recruitment from the United Kingdom ;

(ii) difficulty in landing heavy consignments of building materials, steel work, plant and equipment.

(3) (i) A jetty has been built to receive waterborne loads and a small float for what is airborne ;

(ii) most of the gear has now been delivered.

(4) (i) Construction of abattoir and associated buildings, also of prefabricated housing, is well advanced ; it should all be done by January 1952 ;

(ii) costs have exceeded estimates and more capital will be required.

(5) The Corporation had spent £95,653 at 31.12.50 ; £88,481 on fixed assets, £79,326 of it on erection of buildings.

(6) The difficulties over labour, increased erection costs and lack of adequate shipping facilities are causing a good deal of worry about this job.

**30 South Atlantic Sealing Company Ltd** £161,500: 1948

(Incorporated in Falkland Islands 26.10.49)

(1) The proposal to re-establish a sealing industry in the Falkland Islands originated from the present manager of the undertaking who has a small financial interest.

(2) "Golden Chance" and "Protector III", of 85 and 160 gross tons respectively, made their first catches of sea-lions in June 1950.

(3) (i) Construction of the processing factory was finished in July 1950;

(ii) the oil extraction equipment, tested in June, showed minor defects and some parts had to be replaced;

(iii) meanwhile seal blubber was hot-processed, using second-hand whale blubber digesters.

(4) (i) Production was interrupted by mechanical defects in September and October but went on for three months after that till the end of the sea-elephant season in January 1951;

(ii) the new season begins in April; the interval is being used for maintenance and for the installation of two additional new digesters.

(5) (i) Production to the end of 1950 was 158 tons of seal oil (comparable with whale oil) and sample quantities of meat and bone meals as feeding-stuffs and fertilizer;

(ii) samples of hide were successfully treated by United Kingdom tanners.

(6) (i) At 31.12.50 the Corporation held all the 100 £1 issued shares of the Company and had advanced £92,893 to the Company;

(ii) the Company had spent £31,434 on vessels, £20,404 on plant and machinery, £15,272 on factory buildings;

(iii) development expenditure was £9,089, the trading loss £599.

(7) Whale oil prices are high, and once the mechanical defects revealed by the first season's operations have been corrected, the scheme should show a good return.

## THE GAMBIA

**31 Atlantic Fisheries** £263,000: 1949
£242,000: 1950

(1) This ocean fishery was established to catch and process shark, tuna and crawfish off West Africa.

(2) (i) The "African Queen", refitted as a factory ship with equipment for quick freezing, cold storage, canning, oil extraction, fillet drying and fish meal production, arrived in the Gambia on 11.12.50.

(ii) the ship is registered in Gibraltar (as reported last year) but it was decided to establish the shore base in the Gambia as being more convenient and nearer to the fishing areas.

(3) (i) Stores were discharged, fishing gear made in the Gambia loaded, African crew signed on; shark fishing began on 8.1.51; early catches have been satisfactory;

(ii) a shore fish drying depot is almost ready.

(4) (i) The conversion contract for the "African Queen" could only be placed on a cost-plus-fixed-fee basis; the final figure was £84,000 over the original estimate;

(ii) moreover, completion at end September was two months late;

(iii) because of a fall in the price of vitamin A oil, intended to be the main source of revenue, it was decided to provide extra plant for treating crawfish and tuna ;

(iv) capitalisation had therefore to be increased to cover the additional conversion costs and to give more working capital made necessary by the delay.

(5) The Corporation had spent £377,443 at 31.12.50 ; £296,463 on the ship and its conversion ; development expenditure was £64,947.

(6) The high capitalisation makes this a doubtful project, although the results of first operations are encouraging.

**32 Gambia Poultry Farm**

£500,000 : 1948
£310,000 : 1949
£100,000 : 1950

(1) (i) On 13.2.51 the Corporation informed the Secretary of State that this scheme as originally planned could not be carried out ; that a substantial part of the capital might have to be written off in the accounts ;

(ii) the Corporation expressed its profound regret at having to make such a communication.

(2) (i) This was the result of a preliminary report just received by airmail from a party of experts sent to the Gambia by the Corporation to investigate every aspect of planning, procedure and management on the site ;

(ii) the Secretary of State made a statement in the House of Commons ;

(iii) alternatives for the future of the farm are presently under consideration.

(3) (i) Early in 1948 the Chairman met the manager of a successful poultry farm in the Bahamas ; found him willing to do a similar job for the Corporation ;

(ii) on 18.3.48 a poultry farm in the Gambia was agreed in principle ; the Bahamas manager appointed thereto and sent to the Colony accompanied by a member of headquarters staff ; they were to consult the Governor, make a comprehensive investigation, and report on prospects ;

(iii) the Gambia was selected because of its need for agricultural development of a kind which could reduce its dependence on one export crop —groundnuts ; because of the reputed suitability of its climate and its relative proximity to the United Kingdom market ;

(iv) the Board were convinced by the manager and the report ; the Governor welcomed the scheme for developing the Colony ; a plan was prepared and approved on 20.5.48 before the formation of the Corporation's animal products division ; the Chairman assumed direct charge in July 1948 ; the manager was instructed to proceed ; operations began in August.

(4) (i) There were faults of planning, the consequences of which are now very plain ;

(ii) in the original estimates land clearance costs were to be set off by revenue from the sale of timber from the site ; in the event this revenue was negligible ; land clearance costs were unrelieved ;

(iii) a fundamental of the scheme was the growing of enough feeding-stuffs to support a poultry flock of the size planned ; no trials were made to discover the potentialities of the soil and the proper methods of treatment ;

(5) (i) There was too much reliance on the local management ;

(ii) mechanical land clearance damaged the soil, which is of low inherent fertility ; cropping in two successive seasons reduced much of the cleared area to little better than sand ; it would take several years fallow, and skilful husbandry, to recover even its original fertility ;

(iii) the Board now learn that the land could never have produced more than half what was originally expected of it.

(6) Land clearance and agricultural operations throughout have been behind schedule :—

(i) 10,600 acres of trees were felled but only 3,000 acres were stumped by sowing time in 1950 ; the programme was 5,000 acres of land for cultivation in 1949, and an additional 5,000 acres for 1950 ;

(ii) part of the 3,000 acres stumped was taken up by building sites, flock area and roads, leaving only 2,733 acres for cropping in 1950 ;

(iii) mishandling of caterpillar tractors, and the delay in getting spare parts, contributed to slow progress of land clearance ;

(iv) cereal crops sown in 1949 and 1950 were most disappointing ; lack of rain and attacks by army worms contributed to crop failures ; in 1950 1,200 acres had to be re-sown as a result of pest attacks and poor seed.

(7) As to the poultry :

(i) low hatchability resulting from vitamin $B_2$ deficiency was overcome but hatchings and rearing were consistently behind schedule ;

(ii) fowl typhoid broke out during the heavy rains of the summer of 1950 ; the flock management system made segregation and isolation impossible ; more than 30,000 birds died—a third of the total ; the laying flock was particularly affected and therefore egg production ;

(iii) 70,000 lbs of poultry which had been slaughtered had afterwards to be destroyed because of the breakdown of the refrigeration plant ;

(iv) due to this breakdown, the slaughtering of poultry had to be suspended ; the increasing number of live adult capons proved a liability in face of the overall shortage of home-grown feedingstuffs ;

(v) however, despite all the mismanagement, it has been proved that the original poultry stock, together with their progeny can be reared successfully in the Gambia ; they are intrinsically healthy ;

(vi) at the end of the year 54,500 live birds of both sexes and of all ages were on the farm.

(8) (i) Before the typhoid outbreak 34,500 lbs of poultry had been shipped to the United Kingdom ; a further shipment of 17,000 lbs was condemned because of faulty refrigeration ; shipments were then discontinued till March 1951 ;

(ii) 28,440 eggs were shipped to the United Kingdom in September ; 10,080 in October ; the eggs in the second consignment were dirty because of faults in the nesting system which made production of clean eggs in the wet season impossible ; shipments to the United Kingdom were therefore discontinued and owing to the reduced production since the typhoid outbreak have not been resumed ; 185,623 eggs were sold locally during 1950.

(9) (i) It was not till the end of October 1950 that misgivings came to a head ; enquiries were put in hand ; the management changed ; the investigatory mission despatched ; the facts now known disclosed ;

(ii) the scheme cannot be continued in its present form ; equally the land denuded of trees and impoverished cannot be left as it is ; decision on future policy awaits the results of current investigations of possibilities.

(10) There are two main alternatives:—

(i) to wind up the poultry side, transferring or disposing of all movable plant and equipment ; the land to be worked as a purely agricultural scheme under whatever tree or other crops prove most suitable ;

(ii) to continue a limited experiment for the next two years ; the flock to be reduced to a size which present stocks of feedingstuffs augmented by the 1951 harvest and small purchases can support ; controlled experiments to be carried out on the cleared land to determine its possibilities for production of feedingstuffs.

(11) (i) Both alternatives would entail further expenditure ; neither could carry the present capitalisation or any substantial proportion of it ;

(ii) the second, if successful, would probably make a better use of existing assets.

(12) (i) At 31.12.50 £832,645 had been spent ;

(ii) £417,924 was on fixed assets—£210,558 on buildings and roads, £108,014 on land clearing equipment, £49,629 on poultry and ancillary equipment, £36,991 on vehicles, the balance on furniture and fittings ;

(iii) development expenditure was £279,855—the cost of land clearing ;

(iv) the trading loss in 1950 was £123,019 compared with £54,655 in 1949 ;

(v) pending the production of a new plan, special provision has been made in the accounts for writing off £450,000 against capital expenditure, in addition to the two years' trading losses totalling £177,674.

**33 Gambia River Farms** £10,000: 1949

(1) These farms were experimental ; they were to produce both food and feedingstuffs for the Poultry Farm.

(2) Only 535 out of 1,000 acres were brought under cultivation and yields were low.

(3) (i) The Corporation had spent £11,512 at 31.12.50 ;

(ii) during 1950 the net loss on the experiment was £5,263 ; the value of crops produced was £1,164 against cultivation costs, depreciation and administration charges of £6,428 ;

(iii) with a loss of £5,538 in 1949, the total cost of the two years' operation is £10,801.

(4) (i) The farms were under the management of the Poultry Farm ; they were neither properly planned nor supervised ;

(ii) they are being closed down ; £10,801 has been written off.

**34 Gambia Rice Farm** £1,115,000: 1949

(1) (i) This is a scheme for mechanical cultivation of wet padi and dry land crops ;

(ii) development was to be in two phases, the first being the construction of irrigation works to command 10,800 acres and the cultivation of 7,200 acres of rice in the Pachari and Wallikunda swamps, to be completed by 1953 ;

(iii) the second phase was to be similar development of the Kudang swamp to be completed by 1946.

(2) Work began early in 1950 ; good progress was made in the dry season ; an experimental rice crop of 150 acres was planted.

(3) (i) Exceptionally heavy rain fell during the wet season (June-October) and heavy floods came in from the hinterland drowning half the crop in the main swamp ; the remaining half was badly damaged and had to be harvested in 2 to 3 feet of water ;

(ii) a small area of 15 acres on the higher margin which was only lightly flooded provided a satisfactory yield.

(4) (i) Anything like this happening again, or even the fear of it, rules out the growing of short-stalked heavy yielding rice suitable for mechanical harvesting ;

(ii) the Corporation, therefore, had either to abandon the scheme altogether, or go for a more restricted experiment.

(5) (i) Decision was to continue the experiment on 4,250 acres of the swamp (western down-river section, Wallikunda, which includes the 1950 experimental area), providing 3,420 acres of cultivable land ; it would not be possible to carry out a full-scale experiment in mechanical cultivation on a smaller area ;

(ii) plans are laid for the complete empoldering against flood, levelling, and for controlled irrigation and drainage ;

(iii) no more ground will be touched till experiments on rotations, fertiliser treatment, rice varieties, length of growing period, weed control, machinery performance and maintenance over several seasons have provided all the scientific and technical information required.

(6) Engineering works should be completed by June 1951, and 500 acres will be planted to rice during the season.

(7) (i) The Corporation had spent £102,225 at 31.12.50 ; £65,258 on land works, and £12,100 on other fixed assets ;

(ii) development expenditure on preliminary investigation costs and engineering surveys was £12,623 ;

(iii) the cost of cultivating the experimental plots was £8,644 ; crop valuation at £800 has been taken to seed stocks ;

(iv) the engineering works on the section of the swamp excluded from the new plan are of a permanent kind and will be used if and when expansion is decided upon ; depreciation would otherwise be required and is covered by the general provision made in the accounts against such eventualities.

(8) In spite of the setback this year, this is a hopeful experiment ; if successful it will be of great value to the Colony.

## JAMAICA AND DEPENDENCIES

**35 Jamaica Cooling Store** £138,000: 1949

(1) Pressed by the Jamaica Government, the Corporation agreed to erect and operate a cooling plant to handle citrus for export.

(2) Construction was completed by 1.4.51, the date planned ; trading will begin shortly.

(3) The Citrus Growers' Association has strongly supported the undertaking ; an agreement guarantees a minimum annual revenue.

(4) Arrangements have been made to handle tomatoes and apples in the citrus off-season, and to treat tobacco.

(5) The Corporation had spent £88,632 at 31.12.50 ; £88,314 on the erection of buildings, plant, machinery and other fixed assets.

(6) Prospects are satisfactory.

**36 Grand Cayman Cannery** £50,000: 1950

(1) (i) This is a plan to build and operate a cannery on Grand Cayman Island to process turtles ;

(ii) the purpose is to develop the turtle industry on which the islanders largely depend for their livelihood.

(2) 3,000 turtles per annum will be handled, the local fishermen having undertaken to supply this number.

(3) (i) Building plans are ready and equipment has been ordered ;

(ii) construction was deferred pending establishment of the Cayman Turtle Association to ensure regular supplies of turtles to the cannery ;

(iii) the cannery should be in operation by the end of 1951.

(4) The main product will be turtle soup ; the expected market the USA and Canada.

(5) The Corporation had spent £5,526 at 31.12.50 ; £5,303 on initial investigation and development expenses.

(6) The scheme should pay its way.

**37 Turks and Caicos Salt Industry** £217,000 : 1948

(1) (i) In 1948 the Corporation was asked by the Government of Jamaica to take over and reorganise the salt industry on which the inhabitants of these islands largely depend ;

(ii) the Corporation agreed and work began ;

(iii) in 1949 the conclusion of a more favourable contract for the islands' salt production prompted a series of labour strikes for higher wages and discouraged the salina owners from giving their support to the scheme ;

(iv) in this situation the Corporation had no choice but to withdraw.

(2) (i) After this setback, alternative proposals were made ;

(ii) it has now been agreed that the Turks Island Government and the local salina owners shall form a company, to which the Corporation will advance £60,000 on debenture.

(3) (i) The Corporation had spent £34,844 at 31.12.50 on the original scheme ;

(ii) in the 1949 accounts a provision of £19,848 was made against the anticipated loss ; £19,344 has been written off ; £15,500 is represented by net realisable assets.

(4) (i) The loss became inevitable when the original scheme was dropped ;

(ii) it was an irritating and regrettable episode, but the new arrangements give a fair prospect of establishing the industry on a sound basis.

**38. East Africa Industries Ltd** £500,000: 1949

(Incorporated in Kenya 13.4.49)

(1) This company was formed by the Corporation in partnership with the Kenya Government with an authorised capital of £750,000 to take over a number of manufacturing units which the Government had operated in Nairobi from 1944.

(2) After a series of bad years, the Company earned about 6 per cent net in 1950.

(3) (i) The capacity of the edible oil refining plant was increased from 3,000 to 5,250 tons of oil yearly;

(ii) almost all the profit was earned by this unit.

(4) The refractory bricks unit is also profitable though at present small; to meet heavy demand production is being expanded and quality improved.

(5) Production of pottery has been discontinued as foreign competition made it unprofitable; some stocks of utility ware have been sold off below cost.

(6) (i) Demand for most of the chemicals exceeds supply;

(ii) the small scale compounding of insecticides is a promising new development.

(7) The sulphuric acid plant was closed down temporarily owing to accumulation of stocks, but has now been restarted; it is at present working on stocks of imported sulphur; the plant was originally designed to burn pyrites and will be reconverted to treat locally produced pyrites if suitable.

(8) (i) At 31.12.50 the Corporation had paid 17/6 per share on the 300,000 20/- shares issued to it by the Company; the Government held 150,000 20/- shares fully paid;

(ii) during 1950 the gross trading profit was £73,593; net profit was £33,487 compared with a loss of £1,100 in 1949.

(9) (i) The immediate prospects are good though there is some anxiety about raw materials;

(ii) plans are being prepared for expanding the Company's activities;

(iii) the local management are doing well as the financial results for the year show.

**39 Macalder-Nyanza Mines Ltd** £1,700,000: 1950

(Incorporated in Kenya 14.8.50)

(1) Macalder-Nyanza Mines Ltd was formed by the Corporation with an authorised capital of £500,000 to develop and bring to production the Macalder mine near Lake Victoria in south-west Kenya—copper/gold with a possibility of subsidiary zinc later on.

(2) (i) The programme for the first year covers geophysical and geological survey and diamond drilling to determine the mineral resources of the property;

(ii) as the ore is complex, extensive metallurgical test work will have to be carried out in the pilot mill, now under construction, before the most economical method of ore treatment is discovered and the final flow-sheet designed;

(iii) the mine and power plant are being rehabilitated and a camp built.

(3) (i) The Corporation held 175,000 20/- fully paid shares, and 285,000 20/- shares, 4 shillings paid, at 31.12.50; £11,047 had been advanced on current account; the vendors, Macalder Mines Ltd held 40,000 20/- shares fully paid;

(ii) the total shown in the accounts for prospecting and development to 31.12.50 is £134,424; of this the new Company has spent £45,374 and £89,050 was that part of the purchase consideration allocated to this head.

(4) When the results of this first period are known, major development of this hopeful project will be planned; the capital approved includes the estimated costs of full development.

## FEDERATION OF MALAYA AND SINGAPORE

**40 Federal and Colonial Building Society Ltd** £375,000: 1949
(Incorporated in Singapore 29.3.50) £1,000,000: 1950

(1) (i) To help with the housing shortage in Singapore and Malaya, the Corporation set up a Building Society early in 1950 with an initial capital of £375,000; the first advances were made in April;

(ii) later, because of the demand for the facilities offered by the Society, a capital increase of £1,000,000 was approved.

(2) The possibility of obtaining local capital by inviting deposits or issuing shares is soon to be explored.

(3) (i) Mortgage policy is in line with normal building society practice in the United Kingdom;

(ii) advances at 6 per cent are made up to 75 per cent of the Society's valuation, repayable over 15 years maximum;

(iii) to assist applicants who have difficulty in finding the remaining 25 per cent, 100 per cent will be advanced if the applicant's employer guarantees 25 per cent.

(4) (i) By the end of 1950 the Society had accepted 220 applications for advances with a total commitment of £472,894;

(ii) at 31.12.50 the Corporation held all the capital of the Society, 2,300,000 shares of Straits $1 fully paid (about £268,333);

(iii) mortgage securities were £231,734; the loss from the beginning was £1,973;

(iv) by October current interest repayable exceeded current expenditure.

(5) The Society is meeting an obvious need; a good start has been made.

**41 Malayan Housing and Factory Development** £175,000: 1950

(1) (i) The operations of the Federal and Colonial Building Society disclosed a problem and a potential development;

(ii) the problem was the difficulty experienced by applicants in getting suitable sites complete with roads, sewers and services;

(iii) the potential development was the possibility in Singapore of erecting industrial buildings to meet commercial expansion.

(2) (i) The housing problem has been covered by the allocation of Straits $500,000 (about £58,333) as a revolving fund to enable the Corporation to purchase suitable land, develop the common user services and divide up the estate;

(ii) industrial development has been aided by the establishment of a second fund of Straits $1,000,000 (about £116,666) to enable advances for industrial building to be made along the same lines as for housing ; if demand justifies, the Corporation will consider establishing an industrial estate.

(3) (i) The operation of these funds involves no additional overhead expenditure, as general direction and administration is provided by the Federal and Colonial Building Society :

(ii) no advances have been made from either of the funds ; operations to date have been entirely exploratory.

**42 Kulai Oil Palm Estate** £158,000 : 1950

(1) (i) In May 1950 the Corporation purchased a small oil palm estate of 1,722 acres near Johore Behru, Malaya ;

(ii) expansion is contemplated to a unit of about 10,000 acres ; more land is available in the locality.

(2) (i) The estate and factory had been badly neglected during the war ; the palm area had to be rehabilitated ; extensive repairs and replacements done in the factory ;

(ii) by the end of the year these jobs were almost complete ; attention was being given to the next stage of development—routine maintenance on the established area and the planting of new areas with high-yielding strains of palms.

(3) (i) Palm oil production to the end of the year was 206 tons and kernels 35 tons ;

(ii) this was slightly below estimates owing to adverse weather conditions.

(4) (i) The Corporation had spent £130,538 at 31.12.50 ; £94,812 on land and standing crops taken over, buildings, plant and other fixed assets ; rehabilitation cost £28,928 ;

(ii) sales realised £18,428, and resulted in a profit before tax of £3,409.

(5) In general, progress is satisfactory and prospects promising.

(6) The manager has been attacked by bandits several times.

**43 Malayan Cocoa Ltd** £33,500 : 1949

(Incorporated in the Federation of Malaya 3.5.50)

(1) Harrisons and Crosfield Ltd, Cadbury Brothers Ltd, and the Corporation are here associated as equal partners in a Company with an authorised capital of Straits $1,000,000, $600,000 issued, $120,000 paid up ; Harrisons and Crosfield Ltd are managing agents.

(2) It is an experimental venture, plots being laid out to test the behaviour of cocoa under various conditions of shade, spacing and manurial treatments.

(3) (i) The planting material now available is of low quality, but the Malayan Department of Agriculture is doing its best in selection ; it has also imported small quantities of improved strains of seed ;

(ii) by the time really satisfactory material is available in quantity for planting, the present experiments should have indicated under what conditions the best yields can be obtained.

(4) The Corporation is glad to be associated with such experienced partners in this important experiment.

(5) (i) At 31.12.50 the Corporation held 20,000 shares of Straits $10 each, $2 paid up ;

(ii) the Company had spent £3,661 on fixed assets ;

(iii) development expenditure of £7,772 covered £3,406 spent on immature planted areas, £1,988 on nurseries, £2,378 on general development.

**44 Central Electricity Board** £3,750,000 : 1949

(1) (i) Additional capital was sought by the Central Electricity Board to erect a thermal generator station with an ultimate capacity of 80,000 kw ; the Corporation agreed to finance the first 40,000 kw by a convertible debenture at 4 per cent ;

(ii) the first part of the station was scheduled for completion by mid-1951, but owing to delivery delays it is not likely to come into operation until the latter half of 1952 ;

(iii) revised estimates indicate that the capital cost may be higher than expected.

(2) £640,000 had been advanced by the end of 1950 ; the debenture interest is well covered by current profit from existing stations.

(3) £11,597 interest was received for the period to 31.12.50.

## NIGERIA

**45 Lagos Executive Development Board** £1,250,000 : 1950

(1) (i) The Lagos Executive Development Board, a statutory body set up by the Government of Nigeria, controls 1,004 acres adjacent to the Apapa Wharf, Lagos ; 750 acres are to be raised or reclaimed ; initially 540 acres will be developed, the Board providing roads and drains ;

(ii) improved land will be let for industrial, business or residential purposes, areas being reserved for schools, cinemas, open spaces and other amenities.

(2) (i) The Corporation has agreed to lend £1,250,000 to the Development Board ; £800,000 was advanced in 1950 ; the rest was payable on 1.4.51 ;

(ii) the Corporation and the Board equally have the right to retire or refund the loan at the end of ten, twenty or thirty years ; otherwise it is repayable from the tenth year by 30 equal annual instalments of principal, and interest at 4½ per cent per annum, the payments guaranteed by the Nigerian Government.

(3) (i) The purpose served by this loan is worthwhile, and progress is satisfactory ;

(ii) interest received at 31.12.50 was £12,600.

**46 Niger Agricultural Project Ltd** £250,000 : 1949

(Incorporated in Nigeria 1.3.50)

(1) (i) This is a scheme for the agricultural development of a gross area of 65,000 acres near Mokwa, Nigeria ;

(ii) the plan is to settle 10 villages of 80 farms each ;

(iii) farms were originally intended to be 36 acres each ; they are now to be 48 acres to permit longer rotation ;

(iv) management, agricultural programme and the provision of common services are in the hands of the operating Company, with an authorised capital of £450,000, in which the Nigerian Government and the Corporation are equal partners.

(2) (i) Land clearance was up to schedule, 5,003 acres by the end of 1950; only 2,219 acres were cropped due to the rapid regeneration of bush;

(ii) steam ploughs now delivered should stop that trouble by grubbing up roots.

(3) (i) The agricultural programme is still experimental—will be so for some years yet—so that the right types and varieties of crops, suitable for mechanical cultivation, may be chosen;

(ii) crops sown in 1950 included groundnuts, guinea corn, *hibiscus cannabinus* (jute substitute), sunflower, soya beans and cow peas; groundnut yields were good and in some parts above estimates; guinea corn was badly attacked by stainer bug; *hibiscus cannabinus* fibre trials were satisfactory.

(4) Construction of buildings proceeds according to plan; settlement of the first African village will begin in the summer of 1951.

(5) (i) The Corporation held 100,000 shares of £1 each fully paid at 31.12.50; in addition £4,231 had been advanced to the Company on current account.

(ii) the trading loss to 31.12.50 was £16,779; the Corporation's share is met by Government guarantee; in addition the Corporation received interest at 3 per cent on its investment.

(6) From every point of view—political, social, agricultural, economic—this is one of the most interesting and satisfactory of the Corporation's projects.

**47 Nigerian Fibre Industries** £990,000: 1950

(1) A company is to be formed in association with the Nigerian Cocoa and Cotton Marketing Boards to establish twin factories for sack-making and cotton spinning at Onitsha. Land has been leased from African owners, part of the payment to be in cash, part in shares.

(2) The sack factory will have 44 circular looms capable of producing 6 million sacks annually, using, initially, imported jute; but the Nigerian Government is encouraging local production of jute substitutes for the factory.

(3) The cotton spinning mill will have 12,600 spindles, capable of producing 2 million lbs yarn annually; cotton will be purchased from the Nigerian Cotton Marketing Board; yarn will be sold through distributors to the cottage weaving industry and to small factories.

(4) (i) Both factories are scheduled to begin production in $2\frac{1}{2}$ years; full production in the fourth year;

(ii) the factories are both of the minimum economic size; at present prices they should show a small return, which would, of course, be increased if and when expansion is proved possible.

(5) (i) At 31.12.50 the Corporation had spent £14,976;

(ii) development expenditure was £7,721—on the initial investigation and general expenses in starting the scheme.

**48 Omo Sawmills of Nigeria Ltd** £126,000: 1950

(Incorporated in Nigeria 1.6.50)

(1) This company was formed with an authorised capital of 250,000 £1 shares to acquire and operate as a single unit, supplying a central sawmill, the Omo Forest Reserve concession formerly operated by A. Norman Rushforth Ltd and two unworked concessions in the same forest owned by the Honourable T. A. Odutola and the Ijebu Pioneer Timber Co ; William Mallinson & Sons Ltd also participate ; the Corporation holds 50.4 per cent of the shares.

(2) The main concession, 25 years, covers 429 square miles in the Omo and adjoining Oshun Reserves. Several small concessions in the Ilaro area are being worked but expire at the end of 1951. The three chief merchantable species are mahogany, opepe and white afara (limba).

(3) (i) Enumeration surveys of all the concessions are being made so that extraction can be properly planned ;

(ii) a new sawmill is on order with an input capacity of 600,000 cubic feet per annum ;

(iii) deliveries are slow and it will not be in full production before the end of 1952.

(4) (i) Meantime there is concentration on production of logs for export and local sale ;

(ii) in the 7 months ending December 194,895 cubic feet were sold—8 per cent by volume and 20 per cent by value to the USA. ;

(iii) most of the rest went to Europe, principally to the United Kingdom, but there were substantial local sales and smaller sales to South Africa.

(5) The sawmill and housing estate sites have been cleared, water laid on, roads extended and improved ; a small temporary sawmill is being used to produce the lumber required for the housing programme.

(6) (i) At 31.12.50 the share capital was issued and fully paid ; the Corporation held 126,000 shares ;

(ii) revenue from the sales of logs and curls was £59,738 ; after charging administration and depreciation the net profit was £12,530.

(7) Prospects are good.

**49 West African Fisheries and Cold Store** £337,000: 1949

(1) In this scheme fishing by deep-sea trawlers off the West Coast of Africa will be combined with wholesale and retail distribution and cold storage.

(2) (i) Two steam trawlers, " Strathalbyn " and " Strathblair "—each of 220 gross tons—were bought, extensively refitted in the United Kingdom, sailed for Nigeria on 25.2.51 ;

(ii) this was 4 months later than planned because of delays in the delivery of equipment.

(3) At Port Harcourt construction of the cold store and ice-making plant has begun ; the complete depot should be finished by June 1951. This is 4 or 5 months late, due to the lateness of steel deliveries.

(4) At Lagos there has been difficulty in getting a site, but that is over now and a contract has been placed for the cold store and buildings. Work will not be started till the steel arrives.

(5) Till the cold stores are ready, catches will be transferred from the ships to refrigerator vans—already delivered ; these will take the fish to the markets.

(6) Experimental fishing should start in April 1951.

(7) (i) The Corporation had spent £88,066 at 31.12.50 ; £36,339 on the purchase and equipping of trawlers, £17,547 on land and buildings, £24,897 on other fixed assets ;

(ii) development expenditure was £17,474.

(8) In spite of a slow start the Port Harcourt branch of this undertaking should soon pay its way ; but the Lagos branch has been set back at least a year by siting and constructional difficulties.

## NORTH BORNEO

**50 Borneo Abaca Ltd** £233,000: 1948

(Incorporated in North Borneo 24.3.49)

(1) The Corporation was a minority shareholder in a company with an authorised capital of 100,000 Straits $100 shares formed to buy from the Custodian of Enemy Property 5 ex-Japanese manila hemp estates in North Borneo—14,000 acres, of which 2,300 were under hemp in marketable condition.

(2) (i) Management was in the hands of the Hong Kong Transportation Co Ltd, the majority shareholders, a subsidiary of the Luzon Stevedoring Co Inc ;

(ii) considerable differences of opinion developed in 1950 ; it was decided to dissolve the partnership, the Corporation taking over the Hong Kong Transportation interest at a price to be determined by arbitration.

(3) North Borneo is at present the only source of manila hemp in the Commonwealth ; the Corporation still hopes to increase production.

(4) Since arbitration is pending it would be improper to give the Corporation's view of the situation.

(5) (i) At 31.12.50 the Corporation held 11,501 $100 fully paid shares in the Company ; Hong Kong Transportation Co Ltd held 23,001 shares ;

(ii) the Company's trading loss in 1950 was £43,284 (draft accounts) compared with £64,941 in 1949 ;

(iii) the value to be placed on this investment will naturally be affected by the result of the arbitration.

**51 Marudu Rice Farm** £10,000: 1950

(1) (i) This was a pilot scheme for mechanised cultivation of irrigated rice and groundnuts in a remote part of North Borneo ;

(ii) it was urged on the Corporation by the North Borneo Government and by the Commissioner General for South-East Asia ;

(iii) the Corporation, though aware of the urgent need for increasing rice production, was reluctant because of the many technical uncertainties ; it only agreed when the North Borneo Government agreed to underwrite half the losses.

(2) (i) The first year's working has justified the Corporation's fears ;

(ii) the initial survey was carried out by an expert mission for the Corporation ; soil tests did not reveal that the clay-pan which should have retained the water was not continuous ;

(iii) when the land was cleared, it was seen to be less level than appeared when covered with lallang.

(3) The Government has now agreed that the area is unsuitable ; the experiment has been stopped.

(4) (i) The Corporation had spent £18,679 at 31.12.50 on behalf of the joint enterprise ; £1,658 on buildings, £3,185 on agricultural equipment and £1,973 on other fixed assets ;

(ii) development expenditure of £3,771 covered land clearance, direct agricultural costs, depreciation and general administration, after writing off £9,000 in the Corporation's accounts.

(5) (i) The shared loss is small ;

(ii) in testing the possibilities of undeveloped areas this kind of loss must inevitably occur from time to time ; it underlines the necessity for pilot schemes.

## NORTHERN RHODESIA

**52 Chilanga Cement Ltd** £750,000 : 1949

(Incorporated in Northern Rhodesia 29.7.49) £525,000 : 1950

(1) This factory was planned by the Northern Rhodesian Government ; plant was ordered ; subsequently the Corporation was invited to subscribe capital and a company was formed—Corporation 75 per cent, Government 25 per cent.

(2) (i) One kiln of 55,000 tons annual capacity was under construction throughout 1950 ;

(ii) The company's £1,000,000 capital was found to be inadequate due to rising costs ;

(iii) it was also desired to install a second kiln ;

(iv) further capital of £700,000 was therefore approved, the Corporation to subscribe £525,000.

(3) It has now been decided to defer orders for the second kiln until adequate limestone deposits have been proved—as they probably will be.

(4) The first kiln and housing for both European and African employees should all be complete by June 1951 ; local labour is being recruited and trained.

(5) (i) At 31.12.50 the Corporation held 30,000 " A " shares of £25 each fully paid ; the Government, 10,000 " B " shares of £25 each also fully paid ; in addition, £10,820 had been advanced by the Corporation on current account ;

(ii) the Company had spent £968,957 on fixed assets at 31.12.50 ; £448,897 on factory, office and residential buildings, £493,268 on plant and machinery on site and under construction ;

(iii) development expenditure was £41,792, including drilling costs, initial investigation and general administration expenses.

(6) In spite of the high capital cost of this factory, it should prove a sound investment and of benefit to the Colony, which at present depends on imported cement with heavy freight charges.

## NYASALAND

**53 Kasungu Tobacco Estates** £173,000: 1950

(1) (i) A Government experimental farm near Kasungu in the Central Province has been successfully experimenting in growing and flue-curing Virginia type tobacco since 1946 ;

(ii) in view of the results obtained, the Corporation has leased 11,101 acres nearby to produce tobacco of the same type on a commercial scale ;

(iii) if such production proves economic, about 400,000 acres of adjacent land are available for future development ;

(iv) the Government hopes that further expansion may be carried out on a tenant farming basis.

(2) (i) The soil is light, so a ten-year rotation is proposed—two years tobacco, one food crops, seven fallow ;

(ii) 4,000 acres will be progressively cleared for cultivation ; when the area is fully developed 800 acres will be under tobacco, 400 under food crops annually ;

(iii) fuel for flue-curing will be obtained from land clearing and 7,101 acres of forest on the estate.

(3) (i) Work started early in 1950 ; 400 acres should have been cleared and ploughed during the year ; but, as so often happens, there was shortage of labour and delays in delivery of equipment and supplies ;

(ii) one flue-curing barn is required for every 13 acres of tobacco ; it was realised that only barns for 200 acres could be built in time ; that number of acres were therefore planted ;

(iii) the crop is excellent ;

(iv) 20 acres were sown with maize interplanted with beans and groundnuts to supply food ; nurseries were established and produced a surplus of plants which sold off easily.

(4) 15 curing barns and a grading shed were almost complete at the end of 1950 ; they were ready for use when harvesting began in March 1951.

(5) (i) At 31.12.50 £65,119 had been spent ; £37,660 was on fixed assets, of which buildings were £19,452, land clearing equipment £7,897, agricultural plant and vehicles £8,044 ;

(ii) development expenditure was £13,198 ;

(6) (i) Financial estimates are under review ; delays and the higher costs mean that the original capital needs will be exceeded, probably by about £60,000 ;

(ii) in spite of this, assuming the tobacco produced is of the expected high quality, the prospects are reasonably good.

**54 Nyasaland Fisheries Ltd** £10,000: 1948

(Incorporated in Nyasaland 16.8.49)

(1) (i) In 1948 the Corporation, urged by the Nyasaland Government, agreed to participate with Ocean Products Ltd of Cape Town (vitamin A oil refiners and fishery operators) to establish a fishery on Lake Nyasa;

(ii) a company was formed in August 1949 with an authorised capital of £30,000; Ocean Products Ltd held two-thirds of the shares and undertook the management; the Corporation appointed two directors.

(2) In the summer of 1950 the Company ran into financial difficulties; the reasons were:—

(i) a slump in the price of vitamin A oil on which the Company depended for the greater part of its revenue from relatively small landings of fish;

(ii) inappropriate fishing methods and inadequate equipment which made impossible a rapid changeover to catching and preparing larger quantities of fish for direct local consumption;

(iii) ineffective management.

(3) The Corporation has advanced £3,729 to the Company to keep it going while the situation is reviewed.

(4) (i) Using proper methods, catches could be increased; a larger production of smoke-dried fish for local sale would be a valuable contribution to local food supplies;

(ii) to establish the enterprise on this basis the capital of the Company would have to be more than trebled.

(5) (i) At 31.12.50 the Corporation held 7,000 shares of £1 each fully paid; Ocean Products Ltd held 14,000 fully paid;

(ii) the Company's trading loss in 1950 was £7,221; sales of fish and viscera were £1,153 and other sundry revenue £163; fishing activities and viscera production cost £2,339; general expenses and supervision £4,508; £1,642 depreciation was provided;

(iii) provision has been made for writing off £9,500 of this investment.

(6) (i) Commercial prospects are limited by Government regulations on price control, ban on exports to more profitable markets and restrictive conservation regulations;

(ii) the Corporation is not prepared to continue this enterprise unless the Nyasaland Government will participate directly; negotiations are proceeding.

**55 Vipya Tung Estates** £1,410,000: 1948

(1) (i) At the suggestion of the Nyasaland Government the Corporation in 1948 took over the Government's experimental tung station and about 400 acres of tung estates in Northern Nyasaland;

(ii) the intention was the progressive development of 20,000 acres;

(2) (i) Progress made in two years is unsatisfactory, and the Corporation is largely to blame;

(ii) the plans did not take sufficient account of all conditions for large-scale development and were therefore defective;

(iii) labour is seriously short and inexperienced, sickness frequent;

(iv) delays in receiving equipment and stores from the coast have increased the difficulties.

(3) Ring barking of trees (preliminary to clearance), clearing and planting continued through 1950, everything behind schedule.

(4) The area ring barked was half what it should have been, due to:—

(i) some of it being done at the wrong time resulting in a thick plague of suckers which had to be dealt with two or three times over;

(ii) an unusually short dry season which did not let the ring barked trees die back quickly enough and which also encouraged sucker growth.

(5) (i) 817 acres had been planted with tung by the end of 1950; 74 acres intercropped with food crops—with disappointing results because too little was known of soil and climate;

(ii) construction work is three months behind programme.

(6) (i) Clearly the original finance will not carry the scheme to full development and new estimates are being prepared;

(ii) as an insurance, the prospects for growing alternative crops (tea and coffee) are being investigated.

(7) (i) The Corporation had spent £311,187 at 31.12.50; £154,046 on fixed assets, of which £91,221 was on buildings and constructions, £27,863 on vehicles and £12,939 on agricultural plant and machinery;

(ii) development expenditure was £113,800; £22,919 of this was incurred by the Nyasaland Government.

(8) Capitalisation will be high; labour shortage is a serious problem; nevertheless, if tung prices remain near their present level there are prospects of making ends meet.

**56 Limpasa Dambo Farm** £149,000: 1949

(1) (i) This farm, 10,000 acres, was established primarily to grow food for employees on the adjacent Vipya tung estates; as the land is swampy, rice will be the main crop; there were 600 acres of it in 1950;

(ii) cassava was grown on the margins but was not successful; further attempts will be made as this is a useful secondary crop.

(2) (i) The rice yield was only 60 per cent. of the estimate due to: inability to apply fertiliser to the entire acreage, late rains with subsequent flooding and loss of crop, damage by birds;

(ii) the unexpected rains caused such heavy weed growth that 400 acres for next year's crop had to be reploughed and reharrowed with half-track equipment;

(iii) because of this setback and the delayed delivery of equipment, especially crawler type tractors, only 500 acres will be planted to rice in 1951.

(3) (i) It is not yet possible for this scheme to compete with the low production costs of peasant cultivation which determine the controlled selling price;

(ii) production will therefore be limited to the Corporation's own requirements unless and until greater efficiency enables produce to be marketed at competitive rates; estimates are being revised.

(4) (i) At 31.12.50 the Corporation had spent £115,611; £78,315 on fixed assets, of which £40,252 was on buildings, £19,645 on land clearance equipment, £15,946 on agricultural plant and machinery and vehicles;

(ii) development expenditure was £20,285 ; in addition, £5,712 had been spent on growing rice for the 1951 crop ;

(iii) the farm made a loss of £5,621 during 1950 ; sales of padi amounted to £1,430 ; stock held at 31.12.50 was valued at £12,440.

## ST. LUCIA

**57 Castries Reconstruction (Agency)** 1948

(1) (i) In 1948 the Corporation agreed to act as agent and consultant to the Government of St. Lucia for the rebuilding of Castries, destroyed by fire ;

(ii) the Corporation is employing Holland and Hannen & Cubitts Ltd, as contractors ;

(iii) the first part of the contract was completed in March 1950, a fortnight ahead of time ; work on the second part is going well.

(2) The programme includes :—

(i) the design and construction of public buildings as Government offices, law courts, post office, telephone exchange, printing office, town hall, fire station, police station and public library ;

(ii) a sewerage system involving pumping plant, and that part of the water supply system which lies within the burnt out area ;

(iii) a housing scheme of two-storied maisonnettes and flats, four-storied flats, flats with shops and three-bedroom houses ;

(iv) other Government works such as a warehouse, customs house, a small housing scheme ; and of course temporary housing for the construction staff, workshops and associated buildings.

(3) The value of the contract as first placed was £700,000 but, due to the enlarged programme, it is now about £1,200,000. Completion date has therefore been moved from March 1951 to June 1952.

(4) (i) At 31.12.50 the Corporation had advanced £7,889 for the running costs of the agency ;

(ii) accrued fees due amounted to £22,632, of which £10,135 had been received.

## SEYCHELLES

**58 Seychelles Fisheries** £350,000: 1950

(1) (i) The purpose here is to establish a dried fish business in the Seychelles to supply an East African market ;

(ii) a Colonial Office fishery survey of the area was carried out in 1948-49 ; the information then obtained provided the basis.

(2) (i) Three vessels will be operated on extensive banks in the Indian Ocean between the Seychelles and Mauritius, possibly on other banks near the Chagos Islands ;

(ii) as the sea bed is rough with extensive coral growth, fish will be caught with handlines ;

(iii) they will be green-salted and chilled in the vessels and landed at a depot to be established at St. Anne's where drying will be completed ;

(iv) dried fish will be sold in Tanganyika, Kenya and other East African markets ; there will be by-products such as liver oil.

(3) (i) Two ex-motor minesweepers, each of about 340 gross tons, were purchased and refitted in the United Kingdom ;

(ii) " Isle of Silhouette " sailed for the Seychelles in mid-January 1951. due at the end of February ; " Isle of St. Anne " followed three weeks later ;

(iii) the third fishing vessel is not to be purchased till later on, but a small vessel, m.v. " Vanguard ", will probably be chartered from the Seychelles Government ;

(iv) a carrier vessel, 520 gross tons, " Isle of Mahé ", has been purchased and overhauled in Aden where she will join the other ships ;

(v) the site for the St. Anne's depot has been leased and construction has started ; it should be finished by the end of 1951.

(4) (i) At 31.12.50 the Corporation had spent £110,480 ;

(ii) £87,380 had gone on the purchase and refitting of the vessels ; £8,581 on buildings ;

(iii) development expenditure was £12,369.

(5) (i) All fishery schemes are by their nature speculative ; this less so than most ; there were thorough investigations of both fish resources and markets ; prospects are good ;

(ii) dried fish will make a valuable contribution to protein-deficient diets.

## SWAZILAND

**59 Swaziland Irrigation Scheme** £2,580,000: 1950

(1) (i) In 1950 the Corporation bought an estate, 105,000 acres, in the north-east of Swaziland, together with valuable water rights ;

(ii) part of the area will be progressively cleared of bush and developed by irrigation ; other areas will be used for rain-grown crops and rearing of cattle and pigs;

(iii) a small area of 1,000 acres, irrigated and already developed, will provide a valuable nucleus for the larger scheme.

(2) Some 28,000 acres cannot be irrigated by gravity flow and will be used mainly for cattle ; the rest of the area will be developed in three stages :—

(i) 35,000 acres, giving 28,000 of cultivable land, will be irrigated—headworks on the Komati river, one main 38-mile canal and several distributory canals ;

(ii) water from the Black Umbuluzi river will irrigate a further 13,000 acres, giving 11,000 cultivable ; headworks on the river and a 34-mile canal will be built ;

(iii) another 29,000 acres, 25,000 cultivable, will be irrigated by the Komati ; this will involve more irrigation works including a reservoir.

(3) (i) The capital approved covers the purchase price of the estate and the cost of the first stage of development only ;

(ii) this stage should take three years, during which the land will be progressively cleared and cultivated with rain-grown crops ;

(iii) a research unit will concentrate on solving cultivation problems on the nucleus 1,000 acres; the conclusions will be the basis of agricultural policy for the larger area;

(4) (i) it is tentatively proposed that the rotation will be 6 years crops, 3 years ley;

(ii) annual crops with which trials will be made include rice, maize, sorghum, soya beans, groundnuts, potatoes, cotton, *hibiscus cannabinus;*

(iii) estimates provide for oilcake and rice mills and a cotton ginnery.

(5) 6,000 cattle were purchased with the estate; the number will be increased to 12,000 head as clearing and provision of leys permit; the standard will be improved by selective breeding.

(6) At the end of 1950, 2,590 acres had been cleared and 1,292 acres sown with crops; contracts are placed for bush clearing and 10,000 acres should be cleared by the end of 1951; plans are being prepared for the headworks on the Komati river and the main canal.

(7) (i) At 31.12.50 the Corporation had spent £746,144; £611,693 on fixed assets; £119,310 on stocks and stores, of which £75,984 was livestock at valuation and £21,555 growing crops;

(ii) development expenditure of £23,534 covers the initial investigation and survey expenses and land clearance charges;

(iii) a gross trading profit of £10,954 resulted for the seven months June to December, £6,030 on agricultural operations, £4,924 on livestock; after charging indirect expenditure, general administration and depreciation, a net loss of £29,207 was carried forward.

(8) Progress and prospects are satisfactory.

**60 Usutu Forests** £1,427,000: 1949

(1) (i) In 1949 the Corporation bought 108,411 acres of grassland on either side of the Great Usutu valley for afforestation;

(ii) it was originally thought that not more than 75,000 acres would be suitable for planting; the estimate is now 85,000 at least.

(2) (i) Work began in December 1949, and good progress has been made; by the end of 1950 nearly 5½ million seedlings of the species *pinus patula* and *pinus caribaea* had been pricked out in the 8 nurseries established;

(ii) this is more than enough for the 1950-51 planting objective of 6,000 acres;

(iii) the planting season is November to March and though only 1,089 acres were planted at the end of December, the objective was reached by the end of March.

(3) (i) Considerable construction is in hand including houses for supervisory staff, administrative buildings, workshops and grain storage silos at the headquarters camp;

(ii) permanent housing for African labour has been started;

(iii) 27 miles of main estate roads have been laid, a 180-foot bridge is being built over the Great Usutu river.

(4) The Corporation is also working 50 acres of orchard and developing 1,500 acres of farmland, partly irrigated, purchased as part of the estate. A prolonged drought limited cultivation in 1950 and revenue was less than expected, but there should be a small profit on these operations during 1951.

(5) The Corporation has agreed to assist the Swazi nation to afforest their own adjoining lands.

(6) (i) At 31.12.50 the Corporation had spent £443,665 ; land cost £255,112, buildings £56,798, other fixed assets including afforestation, road-making equipment and transport £70,558 ;

(ii) development expenditure was £57,077 after offsetting £3,328 revenue from grazing rents and sale of produce.

(7) Development is according to plan ; a good start has been made under competent management.

## TANGANYIKA

**61 Tanganyika Coalfields Investigation** £75,000 : 1949
£334,000 : 1950

(1) In 1949 the Tanganyika Government asked the Corporation to investigate the coal resources of the Territory.

(2) (i) Surveys involving surface geological mapping, diamond drilling, and shallow underground workings are being carried out in the Ngaka coalfield of the Southern Province ;

(ii) sufficient data has come from the diamond drilling programme—covering approximately one-eighth of the Ngaka area—to indicate about 15 million tons of extractable coal ; analyses are also encouraging.

(3) Geological reconnaissance has been completed by the Geological Survey of Tanganyika over the Kitewaka field ; a detailed geological survey by the Corporation is now under way ; drilling the first borehole began in January.

(4) The object of the investigation is to prove 40 millions tons of extractable coal by the end of 1951.

(5) The investigation is closely linked with the Government's plans for railway extension ; the whole programme was accelerated in 1950, at the request of Government, because results are required for determining alignments.

(6) (i) At 31.12.50 £128,531 had been spent ; £54,811 on fixed assets including £17,151 on leasehold property and residential buildings, £21,424 on vehicles and £11,512 on office and residential fittings ;

(ii) development expenditure was £85,463, of which diamond drilling and analysis £19,138, staff salaries and expenses £20,445, local labour £9,631 ; the balance was general expenses and depreciation.

**62 Kiabakari and Kitario Investigation** £100,000 : 1950

(1) The Corporation has 12-month (renewable for another year) free options on two small gold prospects near the Kenya border ; ground between the two properties has been covered by two exclusive prospecting licences ; there is thus a block of about 9 square miles.

(2) (i) The options became effective on 1.12.50 ; prospect trenching and the erection of temporary labour lines have begun ;

(ii) a preliminary geophysical survey has been made of the areas and drilling sites selected.

(3) The results of the first 12 months' prospecting and development will determine whether the Corporation should go ahead with any part of this area as a mining undertaking.

(4) At 31.12.50 £3,895 had been spent.

(5) The investigation is under the direction of the general manager of Macalder-Nyanza Mines Ltd.

**63 Tanganyika Roadways Ltd** £150,000: 1950

(Incorporated in Tanganyika 24.12.49)

(1) This has been an unhappy experiment.

(2) (i) In the spring of 1950 the Corporation was considering a proposal to run a road transport service in the Southern Province of Tanganyika ; its attraction lay in its development value, which was confirmed by the Governor, rather than on the commercial side where losses were certain for several years ;

(ii) at this point an approach was made by Tanganyika Roadways Ltd., a young but apparently established concern ; figures were produced purporting to show successful and expanding operations ; investment in this undertaking seemed preferable to the original proposal ; the Corporation agreed to put in £150,000, issued capital previously being 2,000,000 1/- shares nominal, £89,750 paid.

(3) (i) The accounts were grossly inaccurate ; earlier liabilities came to light ; they fell on the original shareholders but showed the rosy operating picture to be false ; the Corporation had bought a job lot of assets (with a trading connection of a sort thrown in) at much too high a price ;

(ii) throughout the year, management has been bothered by legacies of the past ;

(iii) some of the lorries taken over have had to be scrapped ;

(iv) some lorries bought for the Corporation's original venture have turned out too weak for the work ; this means a special write-off of £15,000 and has also increased operating difficulties.

(4) (i) Whilst management was tackling its problems the Corporation sent out an expert to make a separate survey of traffic possibilities ;

(ii) management and advising expert have now agreed a proposal for reorganization and for replacement of the vehicles found unsatisfactory ; the cost with additional working capital would be about £150,000 ;

(iii) decision to proceed depends on the introduction of a route licensing system by the Tanganyika Government and agreement on a fair *modus vivendi* with East African Railways.

(5) (i) The Corporation had advanced £97,816 to the Company at 31.12.50 ; the shares the Corporation is to acquire have not yet been issued ;

(ii) provision against this loan has been made to the extent of the Company's operating loss, £42,853, for the seven months to 31.12.50 ;

(iii) in addition £15,000 already mentioned has been written off in the Corporation's accounts.

**64 Tanganyika Wattle Estates** £650,000: 1949

(1) This is a scheme to plant 30,000 acres in the Njombe district of Tanganyika with wattle; and to encourage the establishment of wattle plantations by Africans with a view to the sale of their bark production to a central factory.

(2) (i) 8,831 acres were cleared of trees and bush in 1950; 3,483 were ploughed and harrowed against an estimate of 3,379; 44 acres were prepared for sowing by hand pitting;

(ii) defects in seed drills delayed seeding operations, but 2,468 acres were sown with wattle seeds, 1,755 being interplanted with maize; the full programme was completed in January 1951;

(iii) damage to equipment was caused by inferior packing, rough handling and pilfering at the docks and on the Tanganyika railways.

(3) At the request of the Native Authority, about 100 acres of tribal land have been ploughed and will be sown with wattle on behalf of the occupiers.

(4) Late arrival of machinery delayed the construction of the road system, but 91 miles of new road were made, 50 miles of old road repaired.

(5) (i) The building programme was affected by bad weather and by a shortage of both materials and skilled labour;

(ii) the power-house was finished; the workshop nearly so; work proceeds on housing for 800 African and 14 European employees.

(6) (i) Production of wattle extract is not scheduled to begin till late 1957; there will therefore be no appreciable revenue until 1958;

(ii) the 1950 plantation programme was carried out within the estimates, but building costs have increased—further rises appear inevitable.

(7) (i) At 31.12.50 £140,599 had been spent; buildings and roads under construction cost £38,273; afforestation, road-making and agricultural equipment £31,487;

(ii) development expenditure was £52,062.

(8) Physical progress is likely to be according to plan; financial estimates may be exceeded, but there are good prospects of prices being able to support slightly higher costs of production.

## TRISTAN DA CUNHA

**65 Tristan da Cunha Development Company Ltd** £130,000: 1950

(Incorporated in South Africa 28.1.48)

(1) (i) The Tristan da Cunha Development Company Ltd was formed in 1948 by a syndicate representing companies in the South African crawfish industry;

(ii) it was granted exclusive fishing rights in the territorial waters of Tristan da Cunha for fifteen years, renewable for ten;

(iii) in return it accepted responsibilities for the welfare of the island people and agreed to make tax and other payments to the island Government.

(2) (i) In July 1950 the Corporation was invited, and agreed, to participate by providing 52 per cent of the total authorised capital of 1,000,000 5/- ordinary shares;

(ii) the fishing industry is to be developed and a cannery is to be established on the island ; frozen crawfish tails and canned crawfish will be marketed ;

(iii) the first full year of production will be 1951-52.

(3) Prior to the Corporation's participation, surveys of the crawfish banks had been carried out, much information on the agricultural and marine resources of the area collected.

(4) (i) The Company's present motor vessel " Pequena ", of 180 gross tons, is in use and has been modified to freeze crawfish tails ; it operates among nearby islands and serves as a mother ship to dories manned by local fishermen ;

(ii) a new freezer vessel, m.v. " Isolda ", of 600 gross tons, is due to be delivered and begin operations in September 1951 ;

(iii) the cannery will be completed soon.

(5) At 31.12.50 the Corporation held 520,000 shares fully paid ; the Company's accounts for 1950 were not received in time to be consolidated in the Corporation's Balance Sheet.

(6) The future well-being of the islanders depends on this project for which prospects are good.

## UGANDA

**66 Lake Victoria Hotel Ltd** £120,000 : 1950

(Incorporated in Uganda 7.9.50)

(1) (i) The need for an hotel in Entebbe, the administrative capital of Uganda, and the absence of any show of interest by private enterprise put the Uganda Government into the field ;

(ii) the Lake Victoria Hotel was built by them and opened on 1.8.49 ; it has 30 double and 30 single bedrooms.

(2) (i) After building began the Government invited the Corporation to acquire a controlling interest in a company ; and this, after negotiation, was agreed ;

(ii) the Corporation took over the management of the hotel on 1.8.50 ;

(iii) the Company was incorporated with an authorised capital of 150,000 £1 ordinary shares ; issued capital is £144,000 of which the Corporation is to subscribe 51 per cent ;

(iv) the percentage will increase annually for six years till the Corporation holds 80 per cent of the shares.

(3) (i) At 31.12.50 the Corporation had not paid the Government for its shares ; £2,596 had been advanced to the Company on current account ;

(ii) for the five months to 31.12.50 net profit was £193 ; gross receipts were £24,271 against expenses of £10,599, salaries and wages £4,198 and general charges £9,281.

(4) The number of visitors has steadily risen ; turnover in all departments has been satisfactory.

**CDC (Engineering) Ltd** £1,000,000: 1949

(Incorporated in England 14.10.49)

(1) This Company is the Corporation's engineering contracting subsidiary.

(2) It is engaged on works for the Corporation as under:—

| Territory | Job | Approximate value | Client |
|---|---|---|---|
| | | £ | |
| British Honduras | Hotel at Belize ... ... | 70,000 | Hotels Division |
| Falkland Islands | Abattoir and freezer ... | 200,000 | Animal Products Division |
| The Gambia ... | Canals, drains and ancillary works for rice project | 374,000 | Agriculture Division |

(3) In addition engineering depots have been established in Northern Nyasaland, Northern Nigeria and British Honduras; a number of smaller works have been undertaken for the Corporation and for colonial governments; the total value of contracts is £732,700. Other works are in prospect.

(4) The engineering depots have been established as a result of representations by the colonial governments concerned; they are in areas where the existing services are inadequate to development needs.

(5) (i) At 31.12.50 only £100 share capital had been issued but the Corporation had advanced £566,123 to the Company; £341,437 went into fixed assets, mainly contractors' plant and machinery;

(ii) stocks, stores and work in progress at 31.12.50 were £127,501;

(iii) the loss for the year on work other than for the Corporation and on maintaining local depots was £30,544.

(6) The future of this subsidiary is at present under independent expert investigation.

**68 CDC Shops Organisation** £130,000: 1949

(1) This organisation operates in areas where shops as a magnet for labour are essential; where adequate service of a sufficient standard is not otherwise available.

(2) (i) In June 1950, the Vipya Trading Company was set up in Northern Nyasaland to supply the requirements of the Corporation's tung estates, Limpasa Dambo farm and, subsequently the Kasungu tobacco estates;

(ii) seven shops and a base depot were in operation at the end of the year; an eighth shop, for the tobacco estates, opened in January, 1951;

(iii) in spite of a reduced range of goods occasioned by hold-ups in the port of Beira and delays on the Nyasaland Railways culminating in the breakdown of the lake service, the results so far have been encouraging; the Company is meeting a genuine need.

(3) (i) At 31.12.50 £52,874 had been spent;

(ii) £7,438 was on fixed assets—buildings, vehicles and equipment;

(iii) stocks were £13,890 ; goods in transit were £21,004 ;

(iv) sales for three months to 31.12.50 were £12,127, giving a gross trading profit of £2,548 ;

(v) after charging depreciation, general and operating expenses, the net loss was £8,004.

(4) In January 1951, shops were opened to serve employees of Usutu Forests and the irrigation scheme in Swaziland ; another is planned for Bechuanaland.

(5) (i) The shops organisation also supplies goods on a wholesale trading basis to schemes with requirements insufficient to justify setting up a separate retail trading unit ;

(ii) in 1950, five schemes availed themselves of this service ; their combined purchases were £3,500.

## V PERSONNEL AND WELFARE

### 69 Number of employees

(1) 14,000 individuals were in the employment of the Corporation in December 1950 ; in Africa 9,700, West Indies 2,200, Far East 1,650, elsewhere including United Kingdom 450. Headquarters staff was 340.

(2) These figures cover employment by the Corporation direct and by all companies in which it is a shareholder ; they do not include employment by contractors other than CDC (Engineering) Ltd, or by concerns in which the Corporation has a debenture interest only.

### 70 Labour supplies

(1) In some territories it is very difficult to get enough labour ; the main reasons are sparse population in areas to be developed, competition from other organisations, reluctance of backward people to enter regular employment, limited use for cash wages.

(2) Labour turnover is generally high, quality often inferior ; local employees rarely stay more than six to nine months, sometimes only a few weeks or days. They lack education and experience ; physique is poor and malnutrition widespread. There can be little interest in the work where employment is casual. In East and Central Africa, where much labour is migrant, these disadvantages are particularly marked.

(3) All this is bad for the workers and for the work itself ; efforts are being made everywhere to build up an efficient, permanent and contented force by : (*a*) the establishment of settled, well-housed communities ; (*b*) good treatment in pay and conditions ; (*c*) training arrangements to enable employees to qualify for higher grades and better pay ; (*d*) provision of medical services, recreational and other facilities ; (*e*) establishment of shops.

(4) It will be a long time before this policy is really effective, but there is already some slight result.

### 71 Housing

(1) Most undertakings are in remote areas where housing is wholly inadequate. The Corporation, therefore, intends to provide permanent housing on all jobs, other than investigations or pilot schemes or, exceptionally, where local employees are already adequately provided for.

(2) European and most local personnel, and their families, will be housed in detached or semi-detached houses or hostels ; they will usually each have a plot of land for their own cultivation. Building is in hand on many schemes, but progress tends to be slow, because of labour shortage and the need to import raw materials.

(3) Temporary accommodation is provided by prefabricated housing, local types of buildings (such as mud and wattle with thatched roofs), and tents.

### 72 Employment conditions

(1) Standards of pay and conditions conform to requirements of the local administration and are otherwise modelled on the best practices of local employers ; wages are in cash except where it is local custom that part should be in kind.

(2) There are training schemes on only five undertakings—for tractor drivers, bricklayers, carpenters, mechanics and clerks. Other schemes are planned ; nearly everywhere workers are being trained on the job.

### 73 Welfare

(1) Free medical services are being arranged for all employees overseas not covered by local government schemes. Where local facilities are sufficiently developed, undertakings rely on government or missionary services, or on private practitioners ; where such arrangements are not possible, doctors are employed by the Corporation. Most schemes are provided with a dispensary at an early stage ; where necessary hospitals are being built.

(2) Provision of recreational facilities is embryonic ; attention is being given to it.

### 74 Labour Relations

(1) In most areas trade unionism is rudimentary ; where there is organisation the Corporation has generally used it in negotiations ; elsewhere these have been carried on through the local chief, native authority or government. Committees representative of African employees have been set up by East Africa Industries Ltd and Macalder-Nyanza Mines Ltd.

(2) There were a few small strikes during the year, none of them serious. British Guiana Timbers Ltd was the most affected ; a 10-day strike, late in 1950, stopped work on one forest concession ; a general strike in the Colony partially stopped work early in 1951.

(3) During a general strike in Nairobi 95 per cent of the employees of East Africa Industries Ltd remained at work, thanks to the African staff council. A dispute between contractor and staff at Castries lasted a fortnight and was then referred to arbitration. No other strike lasted for more than a few hours.

## VI FINANCIAL REPORT

### 75 Accounts for 1950

The accounts and supporting statements for the year to 31.12.50 follow :—

*Statement* 1 Balance Sheet of Corporation,

*Statement* 2 Consolidated Balance Sheet of Corporation and its subsidiaries,

*Statement* 3 Detailed accounts of individual undertakings, supporting Consolidated Balance Sheet,

*Statement* 4 Consolidated Profit and Loss Account of Corporation and its subsidiaries,

*Statement* 5 Detailed Profit and Loss Account of individual undertakings,

*Statement* 6 Schedule of special losses written off and depreciation of investments.

**76 Consolidated Balance Sheet**

(1) The rise in Balance Sheet totals shows the extension of activities.

(2) Current liabilities and provisions, £1,287,552, include outstanding accounts for supplies and equipment to all undertakings.

(3) In addition a special provision of £700,000 has been made against capital losses—£450,000 for the Gambia Poultry Farm and £250,000 unallocated. This latter is a general provision against special losses or possible depreciation of investments including those mentioned in paragraphs 23 and 34.

(4) The net value of fixed assets, expenditure on development (including land clearance) and investments is £9,936,463 ; this is 83.6 per cent of capital investment, made up of Colonial Office advances and minority interests, compared with 87.5 last year. The biggest increases in fixed assets have been land, buildings and investments.

(5) Current assets show a high proportionate increase—the result of the increase in the number of undertakings in production.

(6) The Consolidated Balance Sheet is supported by Statement 3 which gives details for each undertaking, showing how much has been invested and the type and value of assets acquired.

**77 Development Expenditure**

(1) In the initial stages of almost all undertakings part of the expenditure must be regarded as development. Such expenditure has either been carried forward in the Balance Sheet or written off in the Profit and Loss Account. Great care has been taken in preparing the accounts of individual undertakings to ensure consistent and conservative treatment.

(2) The principles followed were:—

(i) no part of headquarters expenditure, other than on technical divisions, has so far been included in development ;

(ii) up to the time production begins expenditure is capitalised under the general heading of development ;

(iii) as development expenditure is capital expenditure it should create an asset or increase the earning capacity of an asset ;

(iv) expenditure on abortive development, such as abandoned experiment, is therefore written off in the year in which the loss is evident.

(3) An appropriate part of expenditure on overseas offices and the technical divisions of headquarters has been allocated to undertakings. Where the undertaking is in the development stage this oncost has been capitalised as development ; where the undertaking is in production, the oncost is charged to its Profit and Loss Account.

**78 Consolidated Profit and Loss Account**

(1) (i) Gross income has increased from £450,522 to £905,911. The net loss on undertakings in production after charging the oncost as above, is £211,219 compared with £84,730 in 1949 ; details for each undertaking in production are in Statement 5 ;

(ii) 20 undertakings were trading or earning interest by the end of the year ; the capital authorised for them was £17,310,500, of which £6,574,888 had been spent by 31.12.50.

(2) Investigation expenditure on projects not pursued was £65,274.

(3) (i) To the loss incurred by the operational undertakings must be added the balance of headquarters and overseas offices costs, not allocated to undertakings, amounting to £233,839, and remuneration of members £12,512 ;

(ii) all headquarters expense (except the allocated part of the technical division costs) is written off to Profit and Loss Account ;

(iii) this gives a debit balance on the Profit and Loss Account of £515,517, compared with £292,368 in 1949, before making allowance for special losses and depreciation of investments amounting to £776,353.

(4) After making provision for these special losses, for preliminary expenses written off by subsidiary companies and for £9,400 for colonial income tax, the total loss of the Corporation and its subsidiaries is £1,311,143. The proportion of net profits attributable to minority shareholders is £9,106, making the net loss carried to Balance Sheet £1,320,249.

**79 Repayment of Colonial Office advances**

It is recognised that the Corporation must launch many undertakings which cannot earn revenue for many years ; advances are to be interest free for the first seven years. Thereafter, capital and interest will be repaid by annuities over thirty-three years.

## VII CONCLUSION

**80** (1) There is both achievement and failure in this record ; encouragement and disappointment.

(2) Failure and disappointment are inevitable in the work the Corporation was set up to do ; inevitable also that these should attract more attention than any success. For the losses which result the Corporation is alone responsible—and of course purposes to make them good.

(3) For the achievements and encouragements the credit is shared between Colonial Office—the helpfulness of whose officers is outstanding—Governors and officials of Colonies, expert advisers, the Corporation's commercial partners and associates.

(4) In the Corporation's service there is zeal and devotion of which any employer might feel proud. A special burden has been carried by divisional managers in headquarters, and by project managers and others overseas—in particular by those on long-term jobs which cannot bear fruit for many years.

(5) There are many difficulties still to be met, risks to be run. The Corporation realises its responsibility and its opportunity ; will do its best.

# STATEMENT OF ACCOUNTS

## BALANCE SHEET

| 31st December 1949 | | | £ |
|---|---|---|---|
| £ | CAPITAL LIABILITY | | |
| 3,135,000 | Advances from the Colonial Office ... ... ... ... | | 11,095,000 |
| | CURRENT LIABILITIES | £ | |
| 114,250 | Amount held on behalf of subsidiary companies | 252,894 | |
| 281,388 | Creditors and accrued charges ... ... ... | 838,568 | |
| | | | 1,091,462 |
| | PROVISION AGAINST | | |
| | Losses arising from revision of Gambia poultry farm ... ... ... ... ... ... | 450,000 | |
| | Capital Losses on investments and undertakings | 250,000 | |
| | | | 700,000 |

*Notes:*

1. Maximum borrowing powers are:
   (*a*) £100 millions, and
   (*b*) £10 millions temporarily by way of overdraft or otherwise.
2. The Colonial Office advances are repayable by annuities (capital and interest) beginning 1st April 1956, 1957, 1958 and 1959, and terminating 1st April 1988, 1989 1990 and 1991. The Secretary of State has not yet settled the rate of interest.
3. Special provision of £450,000 has been made to meet anticipated losses over the Gambia poultry farm. The amount ultimately required will be affected by decisions not yet taken as to the future of the farm.
4. Assets and liabilities in colonial and foreign currencies have been converted at the rate ruling at 31st December 1950.
5. The Corporation has contractual commitments for capital expenditure of £1,100,000 and for debentures and partly paid shares of £4,250,000.
6. " Land, buildings and concessions " includes expenditure on land, the conveyance of which has not yet been completed.

| | | |
|---|---|---|
| 3,530,638 | | £12,886,462 |

**Report to the Colonial Development Corporation by the Auditors appointed under of State for**

We have audited the above Balance Sheet and have obtained all the information and So far as appears from our examination, proper books of account have been kept by the

In our opinion and to the best of our information and according to the explanations given a true and fair view of the state of the Corporation's affairs as at 31st December, 1950.

We have examined the annexed Consolidated Balance Sheet (Statement 2) and the tion and its Subsidiary Companies, certain of which have not been audited by us. In our to thereon have been properly prepared so as to give a true and fair view of the state of Corporation and also of the Subsidiary Companies so far as concerns the Corporation.

11, Ironmonger Lane, London, E.C.2.
5th April 1951.

## MENT CORPORATION

**AS AT 31st DECEMBER 1950**

**STATEMENT 1**

| 31st December 1949 | | Cost | Total Depreciation | |
|---|---|---|---|---|
| £ | FIXED ASSETS | £ | £ | £ |
| 687,910 | Freehold and leasehold land, buildings and concessions ... | 2,408,831 | 50,530 | 2,358,301 |
| 202,947 | Plant, machinery and other productive equipment ... ... | 521,462 | 47,962 | 473,500 |
| — | Contracting plant ... ... | 17,212 | 737 | 16,475 |
| 76,714 | Ships and vessels ... ... ... | 520,538 | 13,357 | 507,181 |
| 146,249 | Land clearance equipment, tractors and agricultural equipment ... ... ... ... | 400,083 | 85,257 | 314,826 |
| 132,119 | Motor vehicles and aircraft ... | 280,431 | 73,377 | 207,054 |
| 48,545 | Furniture, fixtures and office equipment ... ... ... | 157,903 | 20,869 | 137,034 |
| 1,294,484 | | £4,306,460 | £292,089 | £4,014,371 |
| 574,064 | EXPENDITURE ON DEVELOPMENT (INCLUDING REVENUE EXPENDITURE CARRIED FORWARD) LAND CLEARANCE AND TREE CROPS ... ... ... ... ... ... ... ... | | | 1,201,447 |
| | INVESTMENTS AT COST | | £ | |
| 64,644 | Shares in associated companies ... ... | | 139,691 | |
| 115,000 | Debentures and secured loan ... ... ... | | 1,145,372 | |
| | | | | 1,285,063 |
| | SUBSIDIARY COMPANIES | | | |
| 717 | Investments at cost ... ... ... ... | | 894,728 | |
| 669,797 | Amounts owing by subsidiary companies ... | | 2,572,598 | |
| | | | | 3,467,326 |
| 2,718,706 | | | | 9,968,207 |
| | CURRENT ASSETS | | | |
| 220,496 | Stocks, stores and livestock at cost or market value, whichever is lower ... ... ... | | 778,018 | |
| — | Growing crops at cost ... ... ... ... | | 32,183 | |
| 92,041 | Debtors and prepayments ... ... ... | | 260,365 | |
| 136,157 | Cash at banks and in hand ... ... ... | | 154,327 | |
| | | | | 1,224,893 |
| | PROFIT AND LOSS ACCOUNT | | | |
| | Balance at 1st January 1950 ... ... ... | | 363,238 | |
| 363,238 | Loss for the year ended 31st December 1950 ... | | 1,330,124 | |
| | | | | 1,693,362 |
| | J. C. W. REITH<br>R. E. BROOK | | | |
| £3,530,638 | | | | £12,886,462 |

**Section 16 (3) of the Overseas Resources Development Act, 1948, by the Secretary the Colonies.**

explanations which to the best of our knowledge and belief were necessary for that purpose. Corporation, and adequate returns have been received from overseas offices.

to us, the said Balance Sheet which is in agreement with the books, gives with the notes thereon

Consolidated Profit and Loss Account (Statement 4) with the audited accounts of the Corpora- opinion, such Balance Sheet and Profit and Loss Account with the notes included or referred affairs as at 31st December, 1950, and of the losses for the year ended on that date of the

PEAT, MARWICK, MITCHELL & CO.
*Chartered Accountants,*
*Auditors.*

## CONSOLIDATED BALANCE SHEET OF THE CORPORATION

| 31st December 1949 | | | |
|---|---|---|---|
| £ | | | £ |
| | CAPITAL LIABILITY | | |
| *3,135,000* | Advances from the Colonial Office ... ... ... ... | | 11,095,000 |
| | INTEREST OF MINORITY SHAREHOLDERS IN SUBSIDIARY COMPANIES | | |
| *262,311* | OVERSEAS ... ... ... ... ... ... ... ... | | 792,299 |
| *791,317* | CURRENT LIABILITIES ... ... ... ... ... ... | | 1,287,552 |
| | PROVISION AGAINST | | |
| | Losses arising from revision of Gambia poultry farm ... ... ... ... ... ... | £ 450,000 | |
| | Capital losses on investments and undertakings | 250,000 | |
| | | | 700,000 |

*Notes:*

1. The notes on Statement I apply also to this Consolidated Balance Sheet.
   Contractual commitments for the group for capital expenditure are £1,500,000 and for debentures and partly paid shares £3,800,000.
2. The accounts of Tristan da Cunha Development Co Ltd (a subsidiary company) were not received in time to be consolidated.

| | |
|---|---|
| *£4,188,628* | £13,874,851 |

STATEMENT 2

# CORPORATION

## AND ITS SUBSIDIARY COMPANIES AS AT 31st DECEMBER 1950

| *31st December 1949* | | Cost | Total Depreciation | |
|---|---|---|---|---|
| £ | | £ | £ | £ |
| | FIXED ASSETS | | | |
| *1,051,696* | Freehold and leasehold land, buildings and concessions ... | 3,337,036 | 76,470 | 3,260,566 |
| *599,018* | Plant, machinery and other productive equipment ... ... | 1,287,067 | 79,341 | 1,207,726 |
| — | Contracting plant ... ... | 322,596 | 15,156 | 307,440 |
| *103,543* | Ships and vessels ... ... ... | 552,720 | 16,672 | 536,048 |
| *178,671* | Land clearance equipment, tractors and agricultural equipment | 505,735 | 99,610 | 406,125 |
| *160,234* | Motor vehicles, aircraft and rolling stock ... ... ... | 417,505 | 108,610 | 308,895 |
| *69,280* | Furniture, fixtures and office and hotel equipment ... ... | 223,938 | 26,726 | 197,212 |
| *2,162,442* | | £6,646,597 | £422,585 | 6,224,012 |
| *632,085* | EXPENDITURE ON DEVELOPMENT (INCLUDING REVENUE EXPENDITURE CARRIED FORWARD) LAND CLEARANCE AND TREE CROPS ... ... ... ... ... ... ... ... | | | 1,515,212 |
| | INVESTMENTS AT COST | | £ | |
| — | Shares in subsidiary company not consolidated | | 130,000 | |
| *64,644* | Shares in associated companies ... ... | | 139,691 | |
| *115,000* | Debentures and secured loan ... ... ... | | 1,695,814 | |
| — | Building Society advances ... ... ... | | 231,734 | |
| | | | | 2,197,239 |
| *2,974,171* | | | | 9,936,463 |
| | CURRENT ASSETS | | | |
| *422,799* | Stocks, stores and livestock at cost or market value, whichever is lower ... ... ... | | 1,213,312 | |
| — | Growing crops at cost ... ... ... ... | | 55,167 | |
| *154,663* | Debtors and prepayments, less provisions ... | | 496,536 | |
| *254,176* | Cash at banks and in hand ... ... ... | | 445,765 | |
| | | | | 2,210,780 |
| *13,759* | PRELIMINARY EXPENSES OF SUBSIDIARY COMPANIES ... ... | | | 25,061 |
| — | EXCESS OF BOOK VALUE OF INVESTMENTS in subsidiary companies over net assets attributable thereto at date of acquisition ... | | | 13,238 |
| | PROFIT AND LOSS ACCOUNT | | £ | |
| | Balance at 1st January 1950 ... ... ... | | 369,060 | |
| *369,060* | Loss for the year ended 31st December 1950 ... | | 1,320,249 | 1,689,309 |
| | J. C. W. REITH | | | |
| | R. E. BROOK | | | |
| *£4,188,628* | | | | £13,874,851 |

# COLONIAL DEVELOPMENT CORPORATION

## DETAILED ACCOUNTS OF UNDERTAKINGS SUPPORTING THE

| | Total | H.O. and Overseas Offices | Items not charged out to Undertakings at 31.12.50 | Bahamas Development Undertaking |
|---|---|---|---|---|
| FIXED ASSETS | £ | £ | £ | £ |
| Freehold and leasehold land, buildings and concessions ... ... | 3,337,036 | 251,756 | 5,608 | 360,158 |
| Plant, machinery and other productive equipment ... ... ... | 1,287,067 | 16,592 | 50,749 | 55,959 |
| Contracting plant ... ... ... | 322,596 | — | 4,653 | 15,594 |
| Ships and vessels ... ... ... | 552,720 | 22,993 | 9,980 | 19,015 |
| Land clearance equipment, tractors and agricultural equipment ... | 505,735 | 13,467 | 41,600 | 2,034 |
| Motor vehicles, aircraft and rolling stock ... ... ... ... ... | 417,505 | 97,087 | 8,465 | 12,438 |
| Furniture, fixtures, office and hotel equipment ... ... ... ... | 223,938 | 75,399 | 1,143 | 16,525 |
| | £6,646,597 | £477,294 | £122,198 | £481,723 |
| *Less:* DEPRECIATION | | | | |
| Freehold and leasehold land, buildings and concessions ... | 76,470 | 6,231 | — | 2,601 |
| Plant, machinery and other productive equipment ... ... | 79,341 | 8,116 | — | 2,461 |
| Contracting plant ... ... ... | 15,156 | — | — | 737 |
| Ships and vessels ... ... ... | 16,672 | — | — | 784 |
| Land clearance equipment, tractors and agricultural equipment | 99,610 | 6,218 | — | 203 |
| Motor vehicles, aircraft and rolling stock ... ... ... ... | 108,610 | 29,903 | — | 1,038 |
| Furniture, fixtures, office and hotel equipment ... ... ... | 26,726 | 12,262 | — | 914 |
| | £422,585 | £62,730 | — | £8,738 |
| NET BOOK VALUE OF FIXED ASSETS | £6,224,012 | £414,564 | £122,198 | £472,985 |
| EXPENDITURE ON DEVELOPMENT including revenue expenditure carried forward, land clearance and tree crops at cost ... ... ... ... ... ... | 1,515,212 | 151,075 | 9,216 | 12,948 |
| INVESTMENTS AT COST | | | | |
| Shares in subsidiary company not consolidated ... ... ... | 130,000 | — | — | — |
| Shares in associated companies ... | 139,691 | — | — | — |
| Debentures and secured loan ... | 1,695,814 | — | — | — |
| Building Society advances ... ... | 231,734 | — | — | — |
| CURRENT ASSETS | | | | |
| Stocks, stores and livestock at cost or market value, whichever is lower | 1,213,312 | 83,526 | 34,638 | 44,186 |
| Growing crops at cost ... ... | 55,167 | — | — | 8,187 |
| Debtors and prepayments, less provisions ... ... ... ... | 496,536 | 199,638 | 6,235 | 17,719 |
| Cash at banks and in hand ... ... | 445,765 | 141,862 | — | 18,087 |
| PRELIMINARY EXPENSES of subsidiary companies ... ... ... ... | 25,061 | 496 | — | — |
| EXCESS OF BOOK VALUE of investments in subsidiary companies over net assets attributable thereto at date of acquisition ... ... ... ... | 13,238 | 13,238 | — | — |
| TOTAL ASSETS ... ... ... ...£ | 12,185,542 | £1,004,399 | £172,287 | £574,112 |
| INTEREST OF MINORITY SHAREHOLDERS in subsidiary companies overseas ... | £792,299 | — | — | — |
| PROVISION FOR SPECIAL LOSSES ... ... | 700,000 | 700,000 | — | — |
| CREDITORS AND ACCRUED CHARGES ... | 1,287,552 | 536,533 | — | 34,495 |

## CONSOLIDATED BALANCE SHEET, AT 31st DECEMBER 1950

| Lobatsi Abattoir | Bechuanaland Cattle Ranch | British Guiana Consolidated Goldfields Ltd | British Guiana Timbers | Barton Ramie Estate | Belize Hotel | British Honduras Fruit Co Ltd |
|---|---|---|---|---|---|---|
| £ | £ | £ | £ | £ | £ | £ |
| 25,657 | 11,455 | — | 234,070 | 4,980 | 12,152 | 20,374 |
| 4,509 | 1,605 | — | 157,493 | 1,168 | — | — |
| — | — | — | — | — | — | — |
| — | — | — | 46,835 | 1,281 | — | 17 |
| — | 7,097 | — | 44,741 | 23,476 | — | 63,512 |
| 4,707 | 12,836 | — | 6,370 | 2,760 | 91 | 1,908 |
| 302 | 1,862 | — | 5,904 | 322 | — | 2,005 |
| £35,175 | £34,855 | — | £495,413 | £33,987 | £12,243 | £87,816 |
| — | 144 | — | 9,649 | — | — | 168 |
| — | 40 | — | 21,681 | — | — | — |
| — | — | — | — | — | — | — |
| — | — | — | 7,257 | — | — | 1 |
| — | 385 | — | 11,337 | — | — | 6,590 |
| 250 | 1,050 | — | 3,328 | 110 | — | 318 |
| — | 100 | — | 695 | — | — | 67 |
| £250 | £1,719 | — | £53,947 | £110 | — | £7,144 |
| £34,925 | £33,136 | — | £441,466 | £33,877 | £12,243 | £80,672 |
| 8,979 | 36,474 | — | 111,631 | 9,591 | 7,082 | 39,060 |
| — | — | — | — | — | — | — |
| — | — | 208 | 105 | — | — | — |
| — | — | 205,372 | — | — | — | — |
| — | — | — | — | — | — | — |
| 8,330 | — | — | 129,951 | 2,042 | — | 20,151 |
| — | 172 | — | — | 1,662 | — | 22,984 |
| 33 | 280 | — | 25,378 | 14 | 473 | 349 |
| 1,744 | 4,908 | — | 18,749 | 2,404 | — | 14,024 |
| — | — | — | — | — | — | 300 |
| — | — | — | — | — | — | — |
| £54,011 | £74,970 | £205,580 | £727,280 | £49,590 | £19,798 | £177,540 |
| — | — | — | — | — | — | £49,000 |
| — | — | — | — | — | — | — |
| 4,777 | 17,205 | — | 58,206 | 1,242 | 92 | 28,481 |

# COLONIAL DEVELOPMENT CORPORATION

## DETAILED ACCOUNTS OF UNDERTAKINGS SUPPORTING THE

| | British Honduras Stock Farms | Dominica Grouped Under-taking | Falkland Islands Freezer | South Atlantic Sealing Co Ltd |
|---|---|---|---|---|
| FIXED ASSETS | £ | £ | £ | £ |
| Freehold and leasehold land, buildings and concessions | — | 61,597 | 79,326 | 15,272 |
| Plant, machinery and other productive equipment | — | 20,837 | 8,556 | 20,404 |
| Contracting plant | — | — | — | — |
| Ships and vessels | — | — | — | 31,434 |
| Land clearance equipment, tractors and agricultural equipment | — | — | — | — |
| Motor vehicles, aircraft and rolling stock | — | 3,876 | 579 | — |
| Furniture, fixtures, office and hotel equipment | — | 6,586 | 20 | 445 |
| | — | £92,896 | £88,481 | £67,555 |
| *Less:* DEPRECIATION | | | | |
| Freehold and leasehold land, buildings and concessions | — | 223 | — | 3,358 |
| Plant, machinery and other productive equipment | — | 76 | — | 680 |
| Contracting plant | — | — | — | — |
| Ships and vessels | — | — | — | 3,171 |
| Land clearance equipment, tractors and agricultural equipment | — | — | — | — |
| Motor vehicles, aircraft and rolling stock | — | 802 | — | — |
| Furniture, fixtures, office and hotel equipment | — | 379 | — | 45 |
| | — | £1,480 | — | £7,254 |
| NET BOOK VALUE OF FIXED ASSETS | — | £91,416 | £88,481 | £60,301 |
| EXPENDITURE ON DEVELOPMENT including revenue expenditure carried forward, land clearance and tree crops at cost | 3,338 | 30,209 | 6,630 | 9,089 |
| INVESTMENTS AT COST | | | | |
| Shares in subsidiary company not consolidated | — | — | — | — |
| Shares in associated companies | — | — | — | — |
| Debentures and secured loan | — | — | — | — |
| Building Society advances | — | — | — | — |
| CURRENT ASSETS | | | | |
| Stocks, stores and livestock at cost or market value, whichever is lower | 45 | 9,502 | 178 | 29,659 |
| Growing crops at cost | — | 8,766 | — | — |
| Debtors and prepayments, less provisions | 43 | 2,052 | 364 | 1,047 |
| Cash at banks and in hand | — | 2,506 | — | 197 |
| PRELIMINARY EXPENSES of subsidiary companies | — | — | — | 191 |
| TOTAL ASSETS | £3,426 | £144,451 | £95,653 | £100,484 |
| INTEREST OF MINORITY SHAREHOLDERS in subsidiary companies overseas | — | — | — | — |
| CREDITORS AND ACCRUED CHARGES | £168 | £2,280 | — | £8,090 |

## and its SUBSIDIARY COMPANIES

### CONSOLIDATED BALANCE SHEET, AT 31st DECEMBER 1950

| Atlantic Fisheries | Gambia Poultry Farm | Gambia River Farms | Gambia Rice Farm | Jamaica Cooling Store | Grand Cayman Cannery | Turks and Caicos Salt |
|---|---|---|---|---|---|---|
| £ | £ | £ | £ | £ | £ | £ |
| 2,876 | 210,558 | 215 | 65,258 | 63,008 | 201 | 9,081 |
| — | 49,629 | — | 508 | 21,956 | 10 | 2,386 |
| — | — | — | — | — | — | — |
| 296,463 | — | — | 110 | — | — | — |
| — | 108,014 | — | 5,118 | — | — | — |
| 2,218 | 36,991 | — | 5,143 | 1,553 | — | 8,535 |
| 4,946 | 12,732 | 111 | 1,221 | 1,797 | — | 1,915 |
| £306,503 | £417,924 | £326 | £77,358 | £88,314 | £211 | £21,917 |
| 171 | 13,051 | 214 | 3 | 69 | — | 4,263 |
| — | 4,873 | — | 37 | — | — | 441 |
| — | — | — | — | — | — | — |
| 5,190 | — | — | 2 | — | — | — |
| — | 49,276 | — | 509 | — | — | — |
| 314 | 22,508 | — | 729 | 123 | — | 2,900 |
| — | 2,709 | 27 | 206 | 177 | — | 898 |
| £5,675 | £92,417 | £241 | £1,486 | £369 | — | £8,502 |
| £300,828 | £325,507 | £85 | £75,872 | £87,945 | £211 | £13,415 |
| 64,947 | 279,855 | — | 12,623 | 10,483 | 5,303 | — |
| — | — | — | — | — | — | — |
| — | — | — | — | — | — | — |
| — | — | — | — | — | — | — |
| — | — | — | — | — | — | — |
| 59,715 | 87,319 | 966 | 1,141 | 949 | — | 3,303 |
| — | — | — | — | — | — | — |
| 600 | 3,597 | 100 | 2,142 | 13 | — | — |
| 6,107 | 6,718 | 3 | 3,985 | 98 | 17 | — |
| — | — | — | — | — | — | — |
| £432,197 | £702,996 | £1,154 | £95,763 | £99,488 | £5,531 | £16,718 |
| — | — | — | — | — | — | — |
| £54,754 | £48,025 | £443 | £1,382 | £10,856 | £5 | £1,218 |

# COLONIAL DEVELOPMENT CORPORATION

## DETAILED ACCOUNTS OF UNDERTAKINGS SUPPORTING THE

| | East Africa Industries Ltd | Macalder-Nyanza Mines Ltd | Federal and Colonial Building Society Ltd | Kulai Oil Palm Estate |
|---|---|---|---|---|
| FIXED ASSETS | £ | £ | £ | £ |
| Freehold and leasehold land, buildings and concessions | 71,026 | 33,120 | — | 79,431 |
| Plant, machinery and other productive Equipment | 150,246 | 77,693 | — | 14,300 |
| Contracting plant | — | — | — | — |
| Ships and vessels | — | — | — | — |
| Land clearance equipment, tractors and agricultural equipment | — | 2,000 | — | — |
| Motor vehicles, aircraft and rolling stock | 5,044 | 2,367 | 697 | 718 |
| Furniture, fixtures, office and hotel equipment | 5,384 | 1,623 | 1,280 | 363 |
| | £231,700 | £116,803 | £1,977 | £94,812 |
| *Less:* DEPRECIATION | | | | |
| Freehold and leasehold land, buildings and concessions | 11,649 | 163 | — | 356 |
| Plant, machinery and other productive equipment | 25,242 | 1,792 | — | 802 |
| Contracting plant | — | — | — | — |
| Ships and vessels | — | — | — | — |
| Land clearance equipment, tractors and agricultural equipment | — | 190 | — | — |
| Motor vehicles, aircraft and rolling stock | 546 | 88 | 377 | 112 |
| Furniture, fixtures, office and hotel equipment | 505 | 8 | 61 | 23 |
| | £37,942 | £2,241 | £438 | £1,293 |
| NET BOOK VALUE OF FIXED ASSETS | £193,758 | £114,562 | £1,539 | £93,519 |
| EXPENDITURE ON DEVELOPMENT including revenue expenditure carried forward, land clearance and tree crops at cost | 6,217 | 134,424 | — | 28,928 |
| INVESTMENTS AT COST | | | | |
| Shares in subsidiary company not consolidated | — | — | — | — |
| Shares in associated companies | — | — | — | — |
| Debentures and secured loan | — | — | — | — |
| Building Society advances | — | — | 231,734 | — |
| CURRENT ASSETS | | | | |
| Stocks, stores and livestock at cost or market value whichever is lower | 156,802 | 41,512 | 166 | 4,026 |
| Growing crops at cost | — | — | — | — |
| Debtors and prepayments, less provisions | 92,404 | 585 | 263 | 1,283 |
| Cash at banks and in hand | 49,862 | 7,963 | 33,611 | 10,069 |
| PRELIMINARY EXPENSES of subsidiary companies | 4,861 | 3,096 | 459 | — |
| TOTAL ASSETS | £503,904 | £302,142 | £267,772 | £137,825 |
| INTEREST OF MINORITY SHAREHOLDERS in subsidiary companies overseas | £158,153 | £39,905 | — | — |
| CREDITORS AND ACCRUED CHARGES | £63,788 | £19,745 | £1,211 | £3,878 |

## and its SUBSIDIARY COMPANIES

### CONSOLIDATED BALANCE SHEET AT 31st DECEMBER 1950

| Malayan Cocoa Ltd | Central Electricity Board | Lagos Executive Development Board | Nigerian Agricultural Project Ltd | Nigerian Fibre Industries | Omo Sawmills of Nigeria Ltd |
|---|---|---|---|---|---|
| £ | £ | £ | £ | £ | £ |
| — | — | — | 30,961 | 7,000 | 98,426 |
| — | — | — | 7,018 | — | 8,455 |
| — | — | — | — | — | — |
| — | — | — | — | — | 731 |
| — | — | — | 33,475 | — | 6,665 |
| — | — | — | 9,227 | — | 9,056 |
| — | — | — | 4,133 | 255 | 581 |
| — | — | — | 84,814 | 7,255 | 123,914 |
| — | — | — | 488 | — | 2,542 |
| — | — | — | 889 | — | 180 |
| — | — | — | — | — | — |
| — | — | — | — | — | 143 |
| — | — | — | 6,277 | — | 1,296 |
| — | — | — | 3,667 | — | 1,659 |
| — | — | — | 497 | — | 29 |
| — | — | — | £11,818 | — | £5,849 |
| — | — | — | £72,996 | £7,255 | 118,065 |
| — | — | — | 61,051 | 7,721 | — |
| — | — | — | — | — | — |
| 5,200 | — | — | — | — | — |
| — | 640,000 | 800,000 | — | — | — |
| — | — | — | — | — | — |
| — | — | — | 16,667 | — | 21,814 |
| — | — | — | — | — | — |
| — | — | — | 3,165 | — | 15,534 |
| — | — | — | 41,305 | — | 12,112 |
| — | — | — | 2,762 | — | — |
| £5,200 | £640,000 | £800,000 | £197,946 | £14,976 | £167,525 |
| — | — | — | £100,000 | — | £124,587 |
| — | — | — | £10,494 | — | £21,209 |

# COLONIAL DEVELOPMENT CORPORATION

## DETAILED ACCOUNTS OF UNDERTAKINGS SUPPORTING THE

| | West African Fisheries and Cold Store | Borneo Abaca Ltd | Marudu Rice Farm |
|---|---|---|---|
| FIXED ASSETS | £ | £ | £ |
| Freehold and leasehold land, buildings and concessions | 17,547 | — | 1,658 |
| Plant, machinery and other productive equipment | 12,537 | — | — |
| Contracting plant | — | — | — |
| Ships and vessels | 36,339 | — | 142 |
| Land clearance equipment, tractors and agricultural equipment | — | — | 3,185 |
| Motor vehicles, aircraft and rolling stock | 11,386 | — | 825 |
| Furniture, fixtures, office and hotel equipment | 974 | — | 1,006 |
| | £78,783 | — | £6,816 |
| *Less:* DEPRECIATION | | | |
| Freehold and leasehold land, buildings and concessions | — | — | 976 |
| Plant, machinery and other productive equipment | — | — | — |
| Contracting plant | — | — | — |
| Ships and vessels | 70 | — | 54 |
| Land clearance equipment, tractors and agricultural equipment | — | — | 200 |
| Motor vehicles, aircraft and rolling stock | 240 | — | 112 |
| Furniture, fixtures, office and hotel equipment | 37 | — | 58 |
| | £347 | — | £1,400 |
| NET BOOK VALUE OF FIXED ASSETS | £78,436 | — | £5,416 |
| EXPENDITURE ON DEVELOPMENT including revenue expenditure carried forward, land clearance and tree crops at cost | 17,474 | — | 3,771 |
| INVESTMENTS AT COST | | | |
| Shares in subsidiary company not consolidated | — | — | — |
| Shares in associated companies | — | 134,178 | — |
| Debentures and secured loan | — | — | — |
| Building Society advances | — | — | — |
| CURRENT ASSETS | | | |
| Stocks, stores and livestock at cost or market value, whichever is lower | 1,963 | — | 1,036 |
| Growing crops at cost | — | — | — |
| Debtors and prepayments, less provisions | 396 | — | 65 |
| Cash at banks and in hand | 232 | — | 193 |
| PRELIMINARY EXPENSES of subsidiary companies | — | — | — |
| TOTAL ASSETS | £98,501 | £134,178 | £10,481 |
| INTEREST OF MINORITY SHAREHOLDERS in subsidiary companies overseas | — | — | — |
| CREDITORS AND ACCRUED CHARGES | £10,435 | — | £802 |

## and its SUBSIDIARY COMPANIES

### CONSOLIDATED BALANCE SHEET AT 31st DECEMBER 1950

| Chilanga Cement Ltd | Kasungu Tobacco Estate | Vipya Tung Estates | Limpasa Dambo Farm | Castries Recon-struction (Agency) | Seychelles Fisheries |
|---|---|---|---|---|---|
| £ | £ | £ | £ | £ | £ |
| 448,897 | 19,452 | 91,221 | 40,252 | — | 8,581 |
| 493,268 | 3,851 | 12,939 | 4,773 | — | 1,081 |
| — | — | — | — | — | — |
| — | — | — | — | — | 87,380 |
| — | 7,897 | 9,555 | 19,645 | — | — |
| 18,028 | 4,193 | 27,863 | 11,173 | — | — |
| 8,764 | 2,267 | 12,468 | 2,472 | — | — |
| £968,957 | £37,660 | £154,046 | £78,315 | — | £97,042 |
| 2,576 | 372 | 10,980 | 2,230 | — | — |
| 2,252 | 248 | 2,143 | 460 | — | — |
| — | — | — | — | — | — |
| — | — | — | — | — | — |
| — | 1,097 | 634 | 4,890 | — | — |
| 450 | 1,180 | 11,452 | 4,453 | — | — |
| 556 | 168 | 1,596 | 708 | — | — |
| £5,834 | £3,065 | £26,805 | £12,741 | — | — |
| £963,123 | £34,595 | £127,241 | £65,574 | — | £97,042 |
| 41,792 | 13,198 | 113,800 | 20,285 | — | 12,369 |
| — | — | — | — | — | — |
| — | — | — | — | — | — |
| — | — | — | — | — | — |
| — | — | — | — | — | — |
| 11,933 | 14,035 | 71,567 | 19,061 | — | 1,054 |
| — | 7,684 | — | 5,712 | — | — |
| 9,620 | 625 | 5,091 | 689 | 20,761 | 15 |
| 31,337 | 944 | 7,296 | 841 | 307 | — |
| 3,214 | — | — | — | — | — |
| £1,061,019 | £71,081 | £324,995 | £112,162 | £21,068 | £110,480 |
| £250,000 | — | — | — | — | — |
| £135,088 | £5,962 | £13,808 | £2,172 | £11,816 | — |

# COLONIAL DEVELOPMENT CORPORATION

## DETAILED ACCOUNTS OF UNDERTAKINGS SUPPORTING THE

| | Swaziland Irrigation Scheme | Usutu Forests | Tanganyika Coalfields Investigation | Kiabakari and Kitario Investigation |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| FIXED ASSETS | | | | |
| Freehold and leasehold land, buildings and concessions ... ... ... ... | 471,596 | 311,910 | 17,151 | 250 |
| Plant, machinery and other productive equipment ... ... ... ... | 25,461 | 41,390 | 4,724 | 128 |
| Contracting plant ... ... ... ... | — | — | — | — |
| Ships and vessels ... ... ... ... | — | — | — | — |
| Land clearance equipment, tractors and agricultural equipment ... ... | 72,608 | 10,159 | — | — |
| Motor vehicles, aircraft and rolling stock | 35,689 | 16,401 | 21,424 | 625 |
| Furniture, fixtures, office and hotel equipment ... ... ... ... | 6,339 | 2,608 | 11,512 | 322 |
| | £611,693 | £382,468 | £54,811 | £1,325 |
| *Less:* DEPRECIATION | | | | |
| Freehold and leasehold land, buildings and concessions ... ... ... ... | 1,735 | — | 858 | — |
| Plant, machinery and other productive equipment ... ... ... ... | 1,004 | 5,195 | 264 | — |
| Contracting plant ... ... ... ... | — | — | — | — |
| Land clearance equipment, tractors and agricultural equipment ... ... | 6,809 | 563 | — | — |
| Motor vehicles, aircraft and rolling stock | 4,115 | 4,003 | 5,455 | — |
| Furniture, fixtures, office and hotel equipment ... ... ... ... | 433 | 652 | 1,044 | — |
| | £14,096 | £10,413 | £7,621 | — |
| NET BOOK VALUE OF FIXED ASSETS ... ... | £597,597 | £372,055 | £47,190 | £1,325 |
| EXPENDITURE ON DEVELOPMENT including revenue expenditure carried forward, land clearance and tree crops at cost ... | 23,534 | 57,077 | 85,463 | 3,529 |
| INVESTMENTS AT COST | | | | |
| Shares in subsidiary company not consolidated ... ... ... ... ... | — | — | — | — |
| Shares in associated companies ... ... | — | — | — | — |
| Debentures and secured loan ... ... | — | — | — | — |
| Building Society advances ... ... | — | — | — | — |
| CURRENT ASSETS | | | | |
| Stocks, stores and livestock at cost or market value, whichever is lower ... | 119,310 | 21,541 | 18,239 | — |
| Growing crops at cost ... ... ... | — | — | — | — |
| Debtors and prepayments, less provisions | 2,412 | 2,015 | 105 | 375 |
| Cash at banks and in hand ... ... | 4,658 | 2,412 | 3,685 | — |
| PRELIMINARY EXPENSES of subsidiary companies ... ... ... ... ... | — | — | — | — |
| TOTAL ASSETS ... ... ... ... ... | £747,511 | £455,100 | £154,682 | £5,229 |
| INTEREST OF MINORITY SHAREHOLDERS in subsidiary companies overseas ... ... | — | — | — | — |
| CREDITORS AND ACCRUED CHARGES ... | £30,574 | £11,435 | £26,151 | £1,334 |

## and its SUBSIDIARY COMPANIES (*Concluded*)

### CONSOLIDATED BALANCE SHEET AT 31st DECEMBER 1950

| Tanganyika Roadways Ltd | Tanganyika Wattle Estates | Tristan da Cunha Development Co Ltd | Lake Victoria Hotel Ltd | CDC. (Engineering) Ltd | Vipya Trading Co |
|---|---|---|---|---|---|
| £ | £ | £ | £ | £ | £ |
| — | 38,273 | — | 98,900 | 12,918 | 4,864 |
| — | 8,937 | — | 7,905 | — | — |
| — | — | — | — | 302,349 | — |
| — | — | — | — | — | — |
| — | 31,487 | — | — | — | — |
| — | 9,811 | — | 749 | 25,312 | 1,360 |
| — | 3,198 | — | 23,082 | 858 | 1,214 |
| — | £91,706 | — | £130,636 | £341,437 | £7,438 |
| — | — | — | 1,324 | 68 | 8 |
| — | 121 | — | 344 | — | — |
| — | — | — | — | 14,419 | — |
| — | 3,136 | — | — | — | — |
| — | 2,610 | — | 47 | 4,274 | 397 |
| — | 199 | — | 1,513 | 115 | 45 |
| — | £6,066 | — | £3,228 | £18,876 | £450 |
| — | £85,640 | — | £127,408 | £322,561 | £6,988 |
| — | 52,062 | — | — | 20,793 | 3,191 |
| — | — | 130,000 | — | — | — |
| — | — | — | — | — | — |
| 50,442 | — | — | — | — | — |
| — | — | — | — | — | — |
| — | 9,518 | — | 5,072 | 127,501 | 34,894 |
| — | — | — | — | — | — |
| — | 846 | — | 6,227 | 72,234 | 1,749 |
| — | 6,513 | — | 3,804 | 6,894 | 318 |
| — | — | — | 4,494 | 5,188 | — |
| £50,442 | £154,579 | £130,000 | £147,005 | £555,171 | £47,140 |
| — | — | — | £70,654 | — | — |
| — | £13,980 | — | £73,656 | £19,492 | £2,270 |

# COLONIAL DEVELOPMENT CORPORATION

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

| *Year to 31st December 1949* | | | | |
|---|---|---|---|---|
| £ | | | | £ |
| *84,730* | LOSS ON OPERATIONAL UNDERTAKINGS (per Statement 5) ... | | | 211,219 |
| *31,402* | EXPENDITURE ON PROJECTS NOT PURSUED ... ... ... | | | 65,274 |
| | ADMINISTRATIVE EXPENDITURE: | | | |
| | *Head Office:* | | £ | |
| *161,171* | Salaries, wages, staff expenses, travelling and allowances ... ... ... ... | | 205,602 | |
| *32,210* | Rent, office maintenance and general expenses ... ... ... ... ... | | 63,120 | |
| *4,320* | Legal and professional charges ... ... | | 3,721 | |
| *4,838* | Depreciation ... ... ... ... ... | | 7,965 | |
| | | | 280,408 | |
| | *Overseas Offices:* | £ | | |
| *90,158* | Salaries, wages, staff expenses, travelling and allowances ... | 104,562 | | |
| *18,871* | Rent, office maintenance and general expenses ... ... | 22,341 | | |
| *1,181* | Legal and professional charges | 2,503 | | |
| *4,945* | Depreciation ... ... ... | 9,489 | | |
| | | | 138,895 | |
| *317,694* | | | 419,303 | |
| | *Less:* Allocated to: | £ | | |
| — | Operational undertakings | 40,128 | | |
| *148,142* | Expenditure on development, etc. ... ... | 130,482 | | |
| — | Buildings ... ... ... | 14,854 | | |
| | | | 185,464 | |
| *169,552* | | | | 233,839 |
| | REMUNERATION OF MEMBERS: | | | |
| *3,613* | Fees ... ... ... ... ... ... | | 4,600 | |
| *7,275* | Salaries ... ... ... ... ... ... | | 7,912 | |
| | | | | 12,512 |
| *£296,572* | | | | £522,844 |
| *292,368* | BALANCE brought down ... ... ... ... ... ... | | | 515,517 |
| — | PROVISION FOR COLONIAL INCOME TAX 1950/51 ... ... ... | | | 9,400 |
| | | | £ | |
| — | SPECIAL LOSSES AND DEPRECIATION OF INVESTMENTS (per Statement 6) ... ... ... ... | | 76,353 | |
| — | PROVISION FOR SPECIAL LOSSES (per Statement 6) | | 700,000 | |
| | | | | 776,353 |
| — | PRELIMINARY ETC. EXPENSES WRITTEN OFF ... ... ... ... | | | 9,873 |
| *292,368* | NET LOSS OF THE CORPORATION AND ITS SUBSIDIARY COMPANIES FOR THE YEAR ... ... ... ... ... ... ... | | | 1,311,143 |
| *367 (Loss)* | *Add:* Proportion of net profits attributable to minority shareholders ... ... ... ... ... ... ... | | | 9,106 |
| *£292,001* | NET CONSOLIDATED LOSS FOR THE YEAR ATTRIBUTABLE TO THE CORPORATION (Statement 2) ... ... ... ... ... | | | £1,320,249 |

## and its SUBSIDIARY COMPANIES

### FOR THE YEAR ENDED 31st DECEMBER 1950

| *Year to 31st December 1949* | | | |
|---|---|---|---|
| £ | | | £ |
| *4,204* | DISCOUNTS AND REBATES RECEIVED AND SUNDRY INCOME ... | | 7,327 |
| *292,368* | BALANCE carried down ... ... ... ... ... ... | | 515,517 |
| *£296,572* | | | £522,844 |
| | | £ | |
| *286,179* | LOSS OF THE CORPORATION FOR THE YEAR carried forward in Balance Sheet (Statement 1) ... | 1,330,124 | |
| *5,822 (Loss)* | *Less:* Corporation's share of net profits carried forward in accounts of subsidiary companies ... ... ... ... ... | 9,875 | 1,320,249 |
| *£292,001* | | | £1,320,249 |

# COLONIAL DEVELOPMENT CORPORATION and its SUBSIDIARY COMPANIES

## PROFIT AND LOSS ACCOUNTS OF UNDERTAKINGS—YEAR ENDED 31st DECEMBER, 1950

| Operational Undertakings | Stocks 1.1.50 | Purchases and Operating Expenses | Supervision and General Expenditure | Depreciation | Sales | Interest and other Income | Stocks 31.12.50 | Profit or Loss (L) |
|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| *Bahamas Development Undertaking ... | — | 86,275 | 19,129 | 7,292 | 38,640 | — | 43,209 | (L) 30,847 |
| British Guiana Consolidated Goldfields Ltd. ... ... ... ... ... | — | — | — | — | — | 5,999 | — | 5,999 |
| British Guiana Timbers ... ... ... | 61,540 | 220,553 | 27,492 | 24,212 | 203,379 | — | 78,328 | (L) 52,090 |
| *Dominica Grouped Undertaking ... | — | 726 | 3,507 | 207 | 2,256 | — | 113 | (L) 2,071 |
| *South Atlantic Sealing Co Ltd ... ... | — | 11,052 | 2,608 | 6,055 | 664 | — | 18,452 | (L) 599 |
| Gambia Poultry Farm ... ... ... | 16,773 | 117,385 | 33,833 | 20,443 | 41,398 | — | 24,017 | (L)123,019 |
| *Gambia Rice Farm ... ... ... | — | 1,699 | 6,099 | 846 | — | — | 800 | (L) 7,844 |
| East Africa Industries Ltd ... ... | 50,584 | 290,040 | 31,125 | 25,769 | 379,759 | — | 51,246 | 33,487 |
| *Federal & Colonial Building Society Ltd | — | — | 5,844 | 219 | — | 4,090 | — | (L) 1,973 |
| *Kulai Oil Palm Estate ... ... ... | — | 4,600 | 11,988 | 1,293 | 18,428 | — | 2,862 | 3,409 |
| *Central Electricity Board, ... ... | — | — | — | — | — | 11,597 | — | 11,597 |
| *Lagos Executive Development Board | — | — | — | — | — | 12,600 | — | 12,600 |
| Niger Agricultural Project Ltd ... ... | — | 14,759 | 6,361 | 6,054 | †24,924 | 1,669 | 2,250 | 1,669 |
| *Omo Sawmills of Nigeria Ltd ... ... | — | 52,666 | 7,519 | 5,848 | 59,738 | — | 18,825 | 12,530 |
| *Limpasa Dambo Farm ... ... ... | — | 16,061 | 1,375 | 2,055 | 1,430 | — | 12,440 | (L) 5,621 |
| Castries Reconstruction Agency... ... | — | 16,676 | 1,840 | — | — | 17,632 | — | (L) 884 |
| *Swaziland Irrigation Scheme ... ... | — | 135,640 | 11,385 | 10,020 | 30,300 | — | 97,538 | (L) 29,207 |
| *Lake Victoria Hotel Ltd ... ... ... | — | 10,599 | 10,251 | 3,228 | 24,271 | — | — | 193 |
| *CDC. (Engineering) Ltd ... ... ... | — | 23,707 | 20,966 | 4,051 | 15,010 | — | 3,170 | (L) 30,544 |
| *CDC. Shops Organisation (including Vipya Trading Co) ... ... ... | — | 23,244 | 10,327 | 450 | 12,127 | — | 13,890 | (L) 8,004 |
| | £128,897 | £1,025,682 | £211,649 | £118,042 | £852,324 | £53,587 | £367,140 | (L)£211,219 |
| | | | £1,484,270 | | | £1,273,051 | | (L)£211,219 |

* Part year only.

† Includes £16,779 recoverable under Government guarantee.

STATEMENT 6

# COLONIAL DEVELOPMENT CORPORATION

## PROVISION FOR SPECIAL LOSSES AND DEPRECIATION OF INVESTMENTS

| | £ | £ |
|---|---|---|
| GAMBIA POULTRY FARM | | |
| Provision for losses arising from revision of the scheme ... | 450,000 | |
| GENERAL | | |
| Provision against capital losses on investments and undertakings ... ... ... ... ... ... ... ... | 250,000 | 700,000 |
| | £ | |
| MARUDU RICE FARM | | |
| Corporation's share of actual cost of experiment to be closed down ... ... ... ... ... ... ... | 9,000 | |
| NYASALAND FISHERIES LTD | | |
| Investment written off ... ... ... ... ... ... | 9,500 | |
| TANGANYIKA ROADWAYS LTD | | |
| Provision for trading losses of Company ... ... ... | 57,853 | 76,353 |
| | | £776,353 |

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